County of Monterey

Government Center - Board Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Meeting Agenda - Final-Revised

Final Revised as of 8-22-25 5:30 p.m.

Tuesday, August 26, 2025

9:00 AM

Join via Zoom at https://montereycty.zoom.us/j/224397747 or in person at the address listed above

Board of Supervisors

Chair Supervisor Chris Lopez - District 3
Vice Chair Supervisor Wendy Root Askew - District 4
Supervisor Kate Daniels- District 5
Supervisor Luis A. Alejo - District 1
Supervisor Glenn Church - District 2

Participation in meetings

While the Board chambers remain open, members of the public may participate in Board meetings in 2 ways:

1. You may attend the meeting in person; or,

2. You may observe the live stream of the Board of Supervisors meetings at https://monterey.legistar.com/Calendar.aspx, http://www.mgtvonline.com/, www.youtube.com/c/MontereyCountyTV or https://www.facebook.com/MontereyCoInfo/

If you choose not to attend the Board of Supervisors meeting but desire to make general public comment, or comment on a specific item on the agenda, you may do so in 2 ways:

a. submit your comment via email by 5:00 p.m. on the Monday prior to the Board meeting. Please submit your comment to the Clerk of the Board at cob@co.monterey.ca.us. In an effort to assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the meeting body (i.e. Board of Supervisors Agenda) and item number (i.e. Item No. 10). Your comment will be placed into the record at the Board meeting.

b. you may participate through ZOOM. For ZOOM participation please join by computer audio at: https://montereycty.zoom.us/j/224397747

OR to participate by phone call any of these numbers below:

+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Enter this Meeting ID number: 224397747 when prompted. Please note there is no Participant Code, you will just hit # again after the recording prompts you.

You will be placed in the meeting as an attendee; when you are ready to make a public comment if joined by computer audio please Raise your Hand; and by phone please push *9 on your keypad.

PLEASE NOTE: IF ALL BOARD MEMBERS ARE PRESENT IN PERSON, PUBLIC PARTICIPATION BY ZOOM IS FOR CONVENIENCE ONLY AND IS NOT REQUIRED BY LAW. IF THE ZOOM FEED IS LOST FOR ANY REASON, THE MEETING MAY BE PAUSED WHILE A FIX IS ATTEMPTED BUT THE MEETING MAY CONTINUE AT THE DISCRETION OF THE CHAIRPERSON.

Participación en reuniones

Mientras las cámaras de la Junta permanezcan abiertas, los miembros del público pueden participar en las reuniones de la Junta de 2 maneras:

1. Podrá asistir personalmente a la reunión; o,

2. Puede observar la transmisión en vivo de las reuniones de la Junta de Supervisores en https://monterey.legistar.com/Calendar.aspx, http://www.mgtvonline.com/, www.youtube.com/c/MontereyCountyTV o https://www.facebook.com/MontereyCoInfo/

Si elige no asistir a la reunión de la Junta de Supervisores pero desea hacer comentarios del público en general o comentar un tema específico de la agenda, puede hacerlo de 2 maneras:

a. envíe su comentario por correo electrónico antes de las 5:00 p.m. el lunes anterior a la reunión de la Junta. Envíe su comentario al Secretario de la Junta a cob@co.monterey.ca.us. En un esfuerzo por ayudar al secretario a identificar el tema de la agenda relacionado con su comentario público, indique en la línea de asunto el cuerpo de la reunión (es decir, la agenda de la Junta de Supervisores) y el número de artículo (es decir, el artículo n.º 10). Su comentario se colocará en el registro en la reunión de la Junta.

b. puedes participar a través de ZOOM. Para participar en ZOOM, únase por audio de computadora en: https://montereycty.zoom.us/j/224397747

O para participar por teléfono llame a cualquiera de estos números a continuación:

+1 669 900 6833 EE. UU. (San José)
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+1 253 215 8782 EE. UU.
+1 301 715 8592 EE. UU.

Ingrese este número de ID de reunión: 224397747 cuando se le solicite. Tenga en cuenta que no hay un código de participante, simplemente presione # nuevamente después de que la grabación lo solicite.

Se le colocará en la reunión como asistente; cuando esté listo para hacer un comentario público si se une al audio de la computadora, levante la mano; y por teléfono, presione *9 en su teclado.

TENGA EN CUENTA: SI TODOS LOS MIEMBROS DE LA JUNTA ESTÁN PRESENTES EN PERSONA, LA PARTICIPACIÓN DEL PÚBLICO POR ZOOM ES ÚNICAMENTE POR CONVENIENCIA Y NO ES REQUERIDA POR LA LEY. SI LA ALIMENTACIÓN DE ZOOM SE PIERDE POR CUALQUIER MOTIVO, LA REUNIÓN PUEDE PAUSARSE MIENTRAS SE

INTENTA UNA SOLUCIÓN, PERO LA REUNIÓN PUEDE CONTINUAR A DISCRECIÓN DEL PRESIDENTE.

The Board of Supervisors welcomes you to its meetings, which are regularly scheduled each Tuesday. Your interest is encouraged and appreciated. Meetings are held in the Board Chambers located on the first floor of the Monterey County Government Center, 168 W. Alisal St., Salinas, CA 93901.
As a courtesy to others, please turn off all cell phones and pagers prior to entering the Board Chambers.

ALTERNATE AGENDA FORMATS: If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals with a disability requiring a modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may make these requests to the Clerk of the Board Office.
CEREMONIAL/APPOINTMENTS/OTHER BOARD MATTERS: These items may include significant financial and administrative actions, and items of special interest, usually approved by majority vote for each program. The regular calendar also includes “Scheduled Items,” which are noticed hearings and public hearings.
CONSENT CALENDAR: These matters include routine financial and administrative actions, appear in the supplemental section by program areas, and are usually approved by majority vote.
TO ADDRESS THE BOARD ON A MATTER ON THE AGENDA: Walk to the podium and wait for recognition by the Chair. In order that all interested parties have an opportunity to speak, please be brief and limit your comments to the specific subject under discussion. Time limitations shall be at the discretion of the Chair, with equal time allocated to opposing sides of an issue insofar as possible. Allocated time may not be reserved or granted to others, except as permitted by the Chair. On matters for which a public hearing is required, please note that a court challenge to the Board’s action may be limited to only those issues raised at the public hearing or in correspondence delivered to the Board at or before the public hearing.
TO ADDRESS THE BOARD DURING PUBLIC COMMENT: Members of the public may address comments to the Board concerning each agenda item and may comment when the Chair calls for general public comment for items that are not on the day's agenda. The timing of public comment shall be at the discretion of the Chair.
DOCUMENT DISTRIBUTION: Documents related to agenda items that are distributed to the Board less than 72 hours prior to the meeting shall be available for public inspection at the Clerk of the Board Office, 168 W. Alisal Street, 1st Floor, Salinas, CA. Documents distributed to the Board at the meeting by County staff will be available at the meeting; documents distributed to the Board by members of the public shall be made available after the meeting.
INTERPRETATION SERVICE POLICY: The Monterey County Board of Supervisors invites and encourages the participation of Monterey County residents at its meetings. If you require the assistance of an interpreter, please contact the Clerk of the Board located in the Monterey County Government Center, 168 W. Alisal St., Salinas - or by phone at (831) 755-5066. The Clerk will make every effort to accommodate requests for interpreter assistance. Requests should be made as soon as possible, and at a minimum 24 hours in advance of any meeting of the Board of Supervisors.
La Cámara de Supervisores del Condado de Monterey invita y apoya la participación de los residentes del Condado de Monterey en sus reuniones. Si usted requiere la asistencia de un interprete, por favor comuníquese con la oficina de la Asistente de la Cámara de Supervisores localizada en el Centro de Gobierno del Condado

de Monterey, (Monterey County Government Center), 168 W. Alisal, Salinas – o por teléfono al (831) 755-5066. La Asistente hará el esfuerzo para acomodar los pedidos de asistencia de un interprete. Los pedidos se deberán hacer lo mas pronto posible, y a lo mínimo 24 horas de anticipo de cualquier reunión de la Cámara de Supervisores.

All documents submitted by the public must have no less than ten (10) copies.
The Clerk of the Board of Supervisors must receive all materials for the agenda packet by noon on the Tuesday one week prior to the Tuesday Board meeting.
Any agenda related writings or documents distributed to members of the County of Monterey Board of Supervisors regarding any open session item on this agenda will be made available for public inspection in the Clerk of the Board's Office located at 168 W. Alisal St., 1st Floor, Salinas, California. during normal business hours and in the Board Chambers on the day of the Board Meeting, pursuant to Government Code §54957.5

HELPFUL INFORMATION/INFORMACION UTIL

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To create an Alert please Sign Up and follow the User Guide to create alerts for calendars, meeting details, agenda items and item details at the following link:

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Regístrese para recibir alertas sobre artículos que le pueden interesar para mantenerse informado y actualizado sobre la Junta de Supervisores del Condado de Monterey

Para crear una alerta, regístrese y siga la Guía del usuario para crear alertas para calendarios, detalles de reuniones, elementos de agenda y detalles de elementos en el siguiente enlace:

https://monterey.legistar.com/Default.aspx

Si necesita ayuda, comuníquese con nuestra oficina al siguiente correo electrónico: cob@co.monterey.ca.us

NOTE: All agenda titles related to numbered agenda items are live web links. Click on the title to be directed to the corresponding Board Report.

PUBLIC COMMENT: Members of the public may address comments to the Board concerning each agenda item. The timing of public comment shall be at the discretion of the Chair.

9:00 A.M. - Call to Order

Roll Call

Additions and Corrections for Closed Session by County Counsel

County Counsel will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.

Closed Session

1. Closed Session under Government Code section 54950, relating to the following items:

   a. Pursuant to Government Code section 54956.9(d)(1), the Board will confer with legal counsel regarding existing litigation:
   (1) *In re: Purdue Pharma L.P., et al,* Case No. 19-23649, pending in the United States Bankruptcy Court, Southern District of New York.
   (2) *In Re: National Prescription Opiate Litigation,* Case No. 1:17-md-02804-DAP, pending in the U.S. District Court for the Northern District of Ohio.
   (3) *Nacimiento Regional Water Management Advisory Committee v. Monterey County Water Resources Agency, et al.*; San Luis Obispo County Superior Court Case No. 19CVP-0010

   b. Pursuant to Government Code section 54957.6, the Board will provide direction to negotiators:
   (1) Designated representatives: Andreas Pyper, Kim Moore, and Ariana Hurtado
   Employee Organization(s): All Units
   (2) Designated Representatives: Roderick Franks, and Becky Cromer
   Employee Organization(s): IHSS

   c. Pursuant to Government Code section 54956.9(e)(3), the Board will confer with legal counsel regarding liability claims against the County of Monterey.
   (1) Estate of Jose Manuel Zamudio, et al.

Public Comments for Closed Session

The Board Recesses for Closed Session Agenda Items

Closed Session may be held at the conclusion of the Board's Regular Agenda, or at any other time during the course of the meeting, before or after the scheduled time, announced by the Chairperson of the Board. The public may comment on Closed Session items prior to the

Board's recess to Closed Session.

10:30 A.M. - Reconvene on Public Agenda Items

Roll Call

Pledge of Allegiance

Additions and Corrections by Clerk

The Clerk of the Board will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.

Ceremonial Resolutions

2. Adopt a resolution Celebrating the 175th Anniversary of California Statehood and the Historic Role of Monterey County in the Founding of the Golden State. (Supervisor Alejo)

Attachments: Ceremonial Resolution - 175th Anniversary of California Statehood
Item No 2 Presentation

3. Adopt a resolution commending Annette D'Adamo, Legislative Program Manager, upon her retirement after for more than twenty-two years of dedicated public service with the County of Monterey. (Supervisor Lopez)

Attachments: Ceremonial Resolution - Annette D'Adamo

4. Adopt a resolution honoring the 28th Annual American Cancer Society Relay For Life of the Salinas Valley. (Supervisor Lopez)

Attachments: Ceremonial Resolution - Relay For Life

5. Adopt a resolution celebrating the 50th Anniversary of the Seaside Branch Library in the Gordon R. Forrest Building. (Supervisor Askew)

Attachments: Ceremonial Resolution - Seaside Library 50th Anniversary

6. Adopt a resolution proclaiming September 2025 as Childhood Cancer Awareness Month in the County of Monterey. (Supervisor Lopez)

Attachments: Ceremonial Resolution - Childhood Cancer Awareness Month

7. Adopt a resolution Recognizing Ronald Granberg For His Exemplary Service and Unwavering Dedication in the Pursuit of Justice Throughout His Distinguished Career and for Receiving the

Monterey County Bar Association's Justice Nat Agliano Lifetime Achievement Award. (Supervisor Alejo)

Attachments: Ceremonial Resolution - Ronald Granberg

8. Adopt a resolution honoring the North County Steering Committee for Safe Routes to School for their formative role in the participatory budgeting process between the Transportation Agency for Monterey County and the County of Monterey. (Supervisor Church)

Attachments: Ceremonial Resolution - North County Steering Committee for Safe Routes to School

Appointments

9. Appoint Jaqueline Cruz Ed.D. to Natividad Medical Center Board of Trustees as a Representative with Experience as a Community Leader to fill an unexpired term ending on August 12, 2026. (Nominated by Natividad Medical Center Board of Trustees)

Attachments: Notification to Clerk of Appt - Jaqueline Cruz Ed.D.
Jaqueline Cruz - Resume

Approval of Consent Calendar – (See Supplemental Sheet)

10. See Supplemental Sheet

General Public Comments

11. General Public Comments

Scheduled Matters

12. a. Review and provide input on from the Measure AA Ad Hoc Committee:
i. FY 2025-26 budget priorities in the County's unincorporated areas will mirror FY 2024-25 (Resolution No. 24-337);
ii. Beginning with FY 2026-27, the Board will allocate funding on a quarterly **OR** annual basis, as part of the budget planning process;
iii. Revenues will focus on new projects and programs; and,
iv. Revenues shall not be utilized to fund ongoing commitments.
b. Affirm $1,450,000 in Measure AA revenue to support AXON body-cameras in the unincorporated areas;
c. Affirm $50,000 in Measure AA revenue to support the Reservoir's AgTech initiatives in the unincorporated areas;
d. Affirm $50,000 in Measure AA revenue to support Regenerative California's blue economy and

fisheries initiatives in the unincorporated areas; and,

e. Provide further direction, as appropriate. (ADDED/REVISED VIA SUPPLEMENTAL)

Attachments: Board Report (ADDED VIA SUPPLEMENTAL)
Ordinance No. 5423 (ADDED VIA SUPPLEMENTAL)
Resolution No. 24-236 - Calling for Election (ADDED VIA SUPPLEMENTAL)
Resolution No. 24-337 - FY2024-25 Budget Priorities (ADDED VIA SUPPLEMENTAL)
Public Opinion Poll Results (ADDED VIA SUPPLEMENTAL)

13. PLN240077 - SIGNAL HILL LLC

Continued from July 8, 2025 - Public hearing to consider three appeals, one by Samuel Reeves, one by the Alliance of Monterey Area Preservationists (AMAP), and one by Massy Mehdipour, the applicant, from the April 30, 2025 Planning Commission decision approving the construction of an approximately 8,290 square foot two-story single family dwelling with an attached three car garage with light brown stucco exterior, black metal clad wood accents, and a gravel roof, an approximately 180 square foot stairwell, and approximately 695 square feet of terrace (identified as the "Reduced Project," Alternative 6 in the Final EIR) and the relocation of three Monterey Cypress trees.

Project Location: 1170 Signal Hill Road, Pebble Beach, Del Monte Forest Area Land Use Plan, Coastal Zone

Proposed CEQA Action: Consider a previously certified Final Environmental Impact Report (FEIR) (SCH#2015021054) for the Signal Hill LLC project and find the project consistent with the FEIR.

Attachments: Board Report
Attachment A - Draft Resolution requiring redesign
Attachment B - Draft Resolution approving proposed redesign
Attachment C - Appeals
Attachment D - An Overlay of Connell House footprint and the newly proposed Design Approval footprint
Attachment E - Planning Commission Resolution No. 25-012
Attachment F - Board Resolution Certifying the Final EIR (#23-236)
Attachment H - LUAC minutes for August 1, 2024

Other Board Matters

Referral Matrix and New Referrals

14. Referral Matrix and New Referrals

Attachments: Board Referral Matrix
2025.10 (Alejo) Spay Neuter Ordinance

County Administrative Officer Comments

15. County Administrative Officer Comments

Board Comments

16. Board Comments

Read Out from Closed Session by County Counsel

Read out by County Counsel will only occur if there is reportable action(s).

Adjourn In Memory of Officer Edwardo Alfaro

Upcoming Board of Supervisors Meetings for 2025

2025 Board of Supervisors Meeting Schedule

Attachments: 2025 Board of Supervisors Meeting Dates

Supplemental Sheet, Consent Calendar

Natividad Medical Center

17. a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional Services Agreement (A-15877) with Adelheid Ebenhoech, M.D. to provide family medicine services, extending the term by 12 months (September 20, 2025 to September 30, 2026) for a revised full agreement term of September 20, 2022 to September 30, 2026, but with no change to the board approved amount not to exceed of $600,000; and
b. Authorize the CEO for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not exceed 10% ($60,000) of the original contract amount, and do not increase the total contract amount above $660,000.

Attachments: Board Report
Adelheid Ebenhoech Third Amendment
Adelheid Ebenhoech MD Second Amendment 091925
Adelheid Ebenhoech MD First Amendment
Adelheid Ebenhoech MD Agreement

18. a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement (A-16552) with Monterey Bay GI Consultants Medical Group, Inc. to provide gastroenterology services, adding $800,000 for a revised not to exceed amount of $1,600,000 and extending the term by 24 months (October 1, 2025 to September 30, 2027) for a revised full agreement term of September 1, 2023 to September 30, 2027; and
b. Authorize the CEO for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not exceed 10% ($80,000) of the original contract amount, and do not increase the total contract amount above $1,680,000.

Attachments: Board Report
Monterey Bay GI First Amendment
Monterey Bay GI Consultants Medical Group Agreement 093025

19. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional and Call Coverage Services Agreement (A-15737) with Access TeleCare California, P.C. to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,680,000 but with no change to the Board approved agreement term April 1, 2022 to March 31, 2026.

Attachments: Board Report
Access TeleCare PC Amendment No. 4
Access TeleCare California, P.C._Amendment No. 3
Access TeleCare California, P.C._Amendment No. 2
Access TeleCare California, P.C._Amendment No. 1
CA Tele-Physicians PC Agreement

20. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-17319) with META Dynamic, Inc. for rental of neurosurgery equipment plus associated services, extending the agreement an additional one (1) year period (April 15, 2026 through April 14, 2027) for a revised full agreement term of April 15, 2024, through April 14, 2027, and adding $200,000 for a revised total agreement amount not to exceed $500,000.

Attachments: Board Report
Meta Dynamic, Inc Amendment No. 2
Meta Dynamic, Inc Amendment No. 1
Meta Dynamic, Inc Agreement

21. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 1 to the agreement (A-16776) with Pomphrey Consulting, LLC for trauma registrar staffing services, extending the agreement through July 1, 2027 for a revised full agreement term of March 1, 2024 through July 1, 2027 and adding $200,000 for a revised total agreement amount not to exceed $450,000.

Attachments: Board Report
Pomphrey Consulting LLC Renewal and Amendment 1
Pomphrey Consulting LLC Agreement

22. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with Corinthian International Parking Services, Inc. pursuant to the Request for Proposals (RFP) #9600-96 for valet parking services for patients and visitors only at NMC, with an initial agreement term beginning September 1, 2025 through May 31, 2026, with the option to extend the agreement for two (2) additional periods; and for a total aggregate not-to-exceed amount of $298,692 for the initial nine-month term.

Attachments: Board Report
Agreement with Corinthian International Parking Services, Inc. Awarded per RFP #9600-96

23. a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute Amendment No. 2 to the Agreement with California United Mechanical, Inc. dba United Mechanical, Inc. for chiller preventive maintenance and repair services, extending the agreement an

additional two (2) year period (April 15, 2026 through April 14, 2028) for a revised full agreement term of April 15, 2021 through April 14, 2028, and adding $300,000 for a revised total Agreement amount not-to-exceed $405,000.

b. Authorize the Chief Executive Officer for Natividad Medical Center or his designee to execute up to three (3) future amendments to the Agreement which do not significantly alter the scope of work and do not cause an increase of more than 10% ($7,500) of the original cost of the agreement, for total contract liability of ($412,500).

Attachments: Board Report
California United Mechanical Inc. dba United Mechanical Inc_Amendment No. 2

Health Department

24. a. Approve and authorize the Director of Health Services or designee to execute the Student Placement Agreement ("Agreement") with Sonoma State University with a term of August 26, 2025 to June 30, 2027 for the placement of students within the Health Department to complete internship/externship assignments as part of their respective field education and service-learning requirements; and

b. Approve the recommendation of the Director of Health Services to accept modifications to indemnification provisions of the Agreement.

Attachments: Board Report
Student Placement Agreement

25. a. Approve and authorize the Director of Health Services or designee to execute a retroactive three (3) year Standard Agreement with Frank Hespe, Attorney-At-Law, to provide hearing officer services for the Behavioral Health Bureau in the amount of $26,700 for FY 2025-2026, $26,700 for FY 2026-2027, and $26,700 for FY 2027-2028, for a maximum County obligation of $80,100 for the term of July 1, 2025 through June 30, 2028; and

b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($8,010) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $88,110.

Attachments: Board Report
Agreement

26. a. Approve and authorize the Director of Health Services or designee to execute a retroactive three (3) year Standard Agreement with Keith Vandevere, Attorney-At-Law, to provide hearing officer services for the Behavioral Health Bureau in the amount of $75,000 for FY 2025-2026, $75,000 for FY 2026-2027, and $75,000 for FY 2027-2028, for a maximum County obligation of $225,000 for the term of July 1, 2025 through June 30, 2028; and

b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future

amendments that do not exceed 10% ($22,500) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $247,500.

Attachments: Board Report
Agreement

27. a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and California Psychiatric Transitions for the provision of mental health services for adults with severe psychiatric disabilities, for a maximum County obligation of $3,102,010 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($310,201) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $3,412,211.

Attachments: Board Report
Agreement

28. a. Introduce, waive first reading, and set September 16, 2025 at 10:30 a.m. as the date and time to consider adoption of an ordinance of the County of Monterey, State of California, amend Chapter 15.04 of the Monterey County Code to remove County of Monterey regulation of small public water systems; and
b. Find the adoption of this ordinance is categorically exempt per Sections 15060(c)(2) and 15060(c)(3) of the California Environmental Quality Act Guidelines because it is an administrative activity that will not result in direct or indirect changes to the environment.

Attachments: Board Report
Attachment 1, Proposed Ordinance Redline Copy
Attachment 2, Proposed Ordinance Clean Copy

Department of Social Services

29. a. Approve and authorize the Director or designee of the Department of Social Services to sign a no cost Data Sharing Agreement with The Regents of the University of California to share information pertaining to individual youth for the purpose of evaluating the Family and Me program for the period of September 1, 2025 through December 31, 2025; and
b. Authorize the Director or designee of the Department of Social Services to sign up to three amendments to this Agreement that do not compass payment or significantly change the scope of work.

Attachments: Board Report
Agreement

Criminal Justice

30. a. Approve and authorize the Public Defender to execute an Agreement with Dataflow Business Systems Inc., to provide two (2) multi-function Ricoh copiers model IM C6010 and IM 6000 for the Public Defender's Office, in the amount of $36,500 for a three-year term retroactive date of July 1, 2025 through June 30, 2028;
b. Approve and authorize the Public Defender to execute up to three (3) amendments, subject to County Counsel review, extending the agreement by one (1) year each, where total additional costs do not exceed 10% of the contract amount ($3,650) and the amendments do not significantly alter the scope of work, and do not exceed the maximum amount of $40,150.

Attachments: Board Report
Standard Agreement Dataflow FY25-28

General Government

31. Adopt a resolution continuing for an additional sixty (60) days, the Proclamation of Local Emergency in response to a structure fire and hazardous materials incident at the Moss Landing Lithium-Ion Battery Energy Storage System (BESS) Power Plant that started on January 16, 2025.

Attachments: Board Report
Attachment A.pdf

32. a. Approve and authorize the Director of the Emergency Communications Department to sign an agreement between the County of Monterey and PowerDMS, Inc., for a term of September 29, 2025 through September 28, 2028, for an amount not to exceed $17,573 to provide PowerEngage software to the Emergency Communications Department;
b. Accept nonstandard terms as recommended by the Director of the Emergency Communications Department; and
c. Authorize the Director of the Emergency Communications Department to sign up to three amendments to this Agreement where the total amendments do not exceed 10% ($1,757) of the original agreement amount and do not significantly change the scope of work.

Attachments: Board Report
Agreement

33. a. Authorize the Chief Information Officer to execute Amendment No. 3 to the Agreement with SHI International Corporation, utilizing a cooperative agreement with Sourcewell to purchase Information Technology services, equipment, and products for the County extending the term through February 27, 2028, and adding $750,000; and
b. Authorize the Chief Information Officer or his designee to sign order forms and such documents as are necessary to implement the amendment with SHI International Corporation for IT products and services; and
c. Accept non-standard contract provisions as recommended by the Chief Information Officer; and
d. Authorize the Chief Information Officer the option to extend the agreement up to three (3) additional one (1) year periods through February 27, 2031, provided that the total additional costs do

not exceed 10% of the prior year's cost, for a total agreement not to exceed amount of $2,160,250 and so long as the Order Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review.

Attachments: Board Report
SHI Sourcewell Solicitation RFP#121923 Contract

34. Authorize the Contracts & Procurement Officer or their designee to execute Amendment No. 2 to Agreement No. A-14550 with K&H Printers-Lithographers, Inc., to continue providing ballot and critical election material printing and mailing services for two (2) additional years (October 1, 2025 through September 30, 2027) for a revised full agreement term from November 5, 2019 through September 30, 2027 and adding $3,800,000 for an aggregate amount not to exceed $13,400,000.

Attachments: Board Report
Exhibit A - Amendment 2
Exhibit B - Amendment 1
Exhibit C - Agreement No. A-14550

35. Approve submittal of the *County of Monterey Immigration Rights Initiative*, *Monterey County Young Supervisors Program*, *Hygiene Hubs*, and *Business Programs and Incentives Guide* application entries to the 2025 California State Association of Counties (CSAC) Challenge Awards competition.

Attachments: Board Report
Exhibit A - Immigration Rights Initiative
Exhibit B - Young Supervisors Program
Exhibit C - Hygiene Hubs
Exhibit D - Business Programs and Incentives Guide

36. a. Authorize the Chief Information Officer to execute a non-standard Agreement with Mainline Information Systems, LLC (dba Pellera) a reseller of TD Synnex Corporation an awarded vendor of OMNIA Partner's existing Region 14 Education Service Center Contract No. 01-170 to purchase technology products and services, up to an amount of $500,000 for the term of September 1, 2025 through December 31, 2026; and
b. Authorize the Chief Information Officer, or his designee, to execute order forms and such documents as are necessary to implement the agreement with Mainline Information Systems for the County's purchase of technology solutions, services, and support, including subscription renewals on an as-needed basis; and
c. Accept non-standard contract provisions as recommended by the Chief Information Officer; and
d. Authorize the Chief Information Officer to amend or sign up to two (2) renewals of one (1) year each to the Agreement, where the cost cap of each amendment or renewal does not increase by more than 10% of the prior agreement's or amendment's cost cap, with a maximum total increase of $1,155,000 for a total agreement not to exceed the amount of $1,655,000 and so long as the Order

Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review

Attachments: Board Report
Agreement Contract #01-170
Authorized Resellers List

37. Receive the Action Minutes of the Capital Improvement Committee for the 1st and 2nd Quarters of 2025 for the meetings held on February 10 and March 10, 2025.

Attachments: Board Report
2-10-25 CIC Meeting Minutes
3-10-25 CIC Meeting Minutes

38. Approve the County of Monterey Board of Supervisors Draft Action Meeting Minutes for the following meeting date: Tuesday. January 14, 2025, and Tuesday, August 19, 2025.

Attachments: Board Report
DRAFT BOS Minutes 1-14-2025
DRAFT BOS Minutes 8-19-2025

39. Authorize the County Administrative Officer, or designee, to execute all documents necessary to approve Change Order #1 with Opterra Energy Services in the amount of $1,525,060 to replace the roof of 168 W. Alisal Street, Salinas, as part of the ongoing solar project.

Attachments: Board Report
Change Order 1 - Monterey County 168 Alisal Roof Overlay
Change Order Request #01a Rooftop Alisal
CIP Sheet CAO-25-01
December 3, 2024 – County Agreement

40. a. Consider the County's Draft Expenditure Plan for the State of California Department of State Hospitals (DSH) to expend up to $1,425,000 for the County's FY 2023-24 Incompetent to Stand in Trial (IST) growth cap and penalty per Welfare & Institutions Code (W&I Code) Section 4336;
b. Authorize the County Administrative Officer or designee to adjust and edit the County's Draft Expenditure Plan to DSH prior to finalization for submission by August 29, 2025, so long as edits do not substantially change the scope of the plan; and,
c. Approve and authorize the County Administrator Officer or designee to submit the final Expenditure Plan to DSH by August 29, 2025.

Attachments: Board Report
Draft Expenditure Plan

Housing and Community Development

41. a. Approve and authorize the County Administrative Officer or designee to sign and submit an application for $2,779,696 for funding from the California Department of Housing and Community Development Homeless Housing, Assistance and Prevention Program Round Six (HHAP-6);
b. Approve and authorize the County Administrative Officer or designee to execute the state funding agreement, with the California Department of Housing and Community Development for HHAP-6 for a term ending June 30, 2029, for an amount estimated at $2,779,696;
c. Approve and authorize the County Administrative Officer or designee to sign all future HHAP-6 funding amendments on behalf of the County for continued funding from the California Department of Housing and Community Development for a term ending June 30, 2029; and
d. Approve and authorize the County Administrative Officer or designee, to sign and execute a Memorandum of Understanding (MOU) with the County of San Benito and the Coalition of Homeless Services Providers committing the County of Monterey to collaborate on implementation of the key actions included in the regional grant submission.

Attachments:
Board Report
Draft Resolution
Attachment A: Memorandum of Understanding
Attachment B: Funding Plan
Attachment C: HHAP-6 2025 Notice of Funding Availability
Attachment D: HHAP-5 2024 Resolution
Attachment E: HHAP-5 2024 Memorandum of Understanding

42. a. Approve and authorize the Housing and Community Development (HCD) Director to execute the Grant and Purchase of Easements and Escrow Instructions Agreement (Agreement) between the County of Monterey and Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest, and Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest, for the conveyance of a permanent easement and temporary construction easement across a portion of Assessor's Parcel Number (APN) 243-071-008 for the construction and maintenance of improvements and appurtenances related to the Carmel River Floodplain Restoration and Environmental Enhancement (CRFREE) Project; and
b. Authorize the Director of Housing and Community Development to execute any related documents needed to complete the transaction, including, but not limited to, any future amendments to the Easement Agreement subject to review and approval as to form by the Office of the County Counsel.

PRIOR CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) ACTION:
Approval of contracts is not a Project under CEQA. The Environmental Impact Report (EIR) for the CRFREE Project was certified by the Board of Supervisors on January 20, 2020. The CRFREE Project was approved, and the corresponding Mitigation Monitoring and Reporting Program (MMRP) was adopted by the Board of Supervisors on June 15, 2021.

Attachments: Board Report
Attachment A - Grant and Purchase of Easements and Escrow Instructions Agreement
Attachment B - Previous approval Board Order
Attachment C - DWR Grant tasks
Attachment D - CRFREE timeline
Attachment E - CRFREE Grant Funding

Public Works, Facilities and Parks

43. a. Award a contract to Granite Rock Company, the lowest responsible bidder for the Salinas Road and Pajaro Project, Project No. 1175 (Project), in the total amount of $735,253;
b. Approve the Performance and Payment Bonds executed and provided by Granite Rock Company;
c. Authorize a contingency, not to exceed 10% of the contract amount or $73,525 to provide funding for approved contract change orders;
d. Authorize the Director of Public Works, Facilities and Parks to execute the contract subject to the provisions of the Public Contract Code and Board Policies as applicable, approve change orders to the contract that do not exceed 10% of the original contract amount or $73,525 do not significantly change the scope of work, and not to exceed the maximum contract amount of $808,778; and
e. Authorize the Director of Public Works, Facilities and Parks to execute a Certificate of Completion and record a Notice of Completion with the County Recorder when the Director determines that the contract is complete in all respects in accordance with the Plans and Special Provisions for the construction of the Salinas Road and Pajaro Project, Project No. 1175.
California Environmental Quality Act (CEQA) Action: A Notice of Exemption was filed on March 19, 2025, pursuant to CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities. The Project has been determined to be categorically exempt (Class 1) because the Project is to perform repair and maintenance of existing streets and similar facilities which involve no expansion of an existing use (See CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities).

Attachments: Board Report
Attachment A – Contract, Bonds and Insurance
Attachment B - Project Budget Project 1175
Attachment C - Bid Summary
Attachment D - Location Map

44. a. Approve submittal of a subapplication under the California Office of Emergency Services (Cal OES) to the Federal Emergency Management Agency's Hazard Mitigation Grant Program (HMGP), to request funding for the Scenic Road Protection Structure Project;
b. Authorize the Director of Public Works, Facilities and Parks or his/her designee, to act as the agent for the County in processing all documentation to secure these funds; and
c. Direct PWFP to return to the Board for approval prior to acceptance of grant award.

Attachments: Board Report
Attachment A - HMGP Funding Commitment Letter
Attachment B - HMGP Maintenance Commitment Letter
Attachment C - Location Map

45. a. Approve Professional Services Agreement with Wallace Group, a California Corporation to provide professional engineering services for the Chualar Wastewater Consolidation Project, Project No. C-06-8676-110, Request for Proposals #10951, for an initial term of three years from August 26, 2025 to August 25, 2028, with the option to extend the Agreement for two additional years, for an amount not to exceed $571,942 and

b. Authorize the Contracts & Purchasing Officer or their designee to execute the Professional Services Agreement and future amendments to the Agreement where the amendments do not significantly alter the scope of work or increase the amount by more than 10% ($57,194) of the original approved Agreement amount of $571,942 bringing the potential overall aggregate not to exceed amount to $629,136 subject to review and approval as to form by the Office of the County Counsel and as to fiscal provisions by the Auditor-Controller's Office.

Attachments: Board Report
Attachment A - Proposed PSA
Attachment B - Project Budget
Attachment C - Location Map
Attachment D - RFP # 10951
Attachment E - Addendums No. 1 & 2 to RFP #10951
Attachment F - CWSRF Grant Agreement No. D2401012

Addenda/Supplemental

46. **Addenda/Supplemental**

Revised Title and Report for Item No. 12 under Scheduled Matters
Added Attachment Titled "Board Report" to Item No. 12 under Scheduled Matters
Added Attachment Titled "Ordinance No. 5423" to Item No. 12 under Scheduled Matters
Added Attachment Titled "Resolution No. 24-236 - Calling for Election" to Item No. 12 under Scheduled Matters
Added Attachment Titled "Resolution No. 24-337 - FY2024-25 Budget Priorities" to Item No. 12 under Scheduled Matters
Added Attachment Titled "Public Opinion Poll Results" to Item No. 12 under Scheduled Matters

County of Monterey

Board Report

Legistar File Number: CS 25-038

Item No.1

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/14/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Closed Session

Closed Session under Government Code section 54950, relating to the following items:

a. Pursuant to Government Code section 54956.9(d)(1), the Board will confer with legal counsel regarding existing litigation:
(1) *In re: Purdue Pharma L.P., et al,* Case No. 19-23649, pending in the United States Bankruptcy Court, Southern District of New York.
(2) *In Re: National Prescription Opiate Litigation,* Case No. 1:17-md-02804-DAP, pending in the U.S. District Court for the Northern District of Ohio.
(3) *Nacimiento Regional Water Management Advisory Committee v. Monterey County Water Resources Agency, et al.*; San Luis Obispo County Superior Court Case No. 19CVP-0010

b. Pursuant to Government Code section 54957.6, the Board will provide direction to negotiators:
(1) Designated representatives: Andreas Pyper, Kim Moore, and Ariana Hurtado
Employee Organization(s): All Units
(2) Designated Representatives: Roderick Franks, and Becky Cromer
Employee Organization(s): IHSS

c. Pursuant to Government Code section 54956.9(e)(3), the Board will confer with legal counsel regarding liability claims against the County of Monterey.
(1) Estate of Jose Manuel Zamudio, et al.

County of Monterey

Board Report

Legistar File Number: CR 25-126

Item No.2

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/20/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Celebrating the 175th Anniversary of California Statehood and the Historic Role of Monterey County in the Founding of the Golden State. (Supervisor Alejo)

Before the Board of Supervisors in and for the
County of Monterey, State of California

Resolution No.:
Resolution Celebrating the **175th Anniversary of California Statehood** and the Historic Role of Monterey County in the Founding of the Golden State.

WHEREAS, On September 9, 1850, California was officially admitted to the Union as the 31st state of the United States of America, following the signing of the Compromise of 1850 by U.S. President Millard Fillmore; and

WHEREAS, This year marks the 175th Anniversary of California Statehood, a milestone that invites reflection on the state's diverse origins, including the millennia-long presence of Native California tribes, who stewarded the land and waters of present-day California since time immemorial, and whose enduring cultures and sovereignty remain vital to the fabric of our state; and

WHEREAS, Monterey County was once the homeland of the Rumsen and Esselen Ohlone, Amah Mutsun and Salinan peoples, among many other Indigenous nations throughout California, who made profound contributions to the region's history and cultural legacy; and

WHEREAS, The City of Monterey holds a unique place in the state's founding, having served as the capital of Alta California under both Spanish and Mexican rule, where civic, military, and religious life flourished through institutions such as Colton Hall, the Presidio of Monterey, San Carlos Cathedral and the Custom House, the oldest public building in California and State Historical Landmark No. 1; and

WHEREAS, It was in Monterey's Colton Hall in September and October of 1849 that 48 delegates from across California gathered for the California Constitutional Convention, which included several Californios, such as Don Mariano Guadalupe Vallejo, Antonio Maria Pico, Jose Antonio Carrillo and Pedro Pablo Amador, who advocated for civil rights, bilingual governance, and cultural inclusion; and

WHEREAS, The resulting California Constitution of 1849, drafted and signed in Monterey in both English and Spanish, established the foundation for California's governance, enshrined civil liberties, and expressly prohibited slavery, setting the state apart during a time of deep national division. The Constitution states, "Neither slavery nor involuntary servitude, unless for punishment of crimes, shall ever be tolerated in this State"; and

WHEREAS, William Edward Petty Hartnell, known as Don Guillermo Arnel, was the official translator of the California Constitution into Spanish, and due in part to his efforts, California initially recognized Spanish as an official language alongside English. For the first 30 years, all California state laws were required to be translated in both languages; and

WHEREAS, After the Constitution's ratification by California voters on November 13, 1849 with 94 percent in favor (12,061 in favor and 811 against), the newly formed state government

that convened on December 17, 1849, immediately petitioned the U.S. Congress for admission and in March 1850, California Senators John C. Fremont and William M. Gwin, along with State Representatives Edward Gilbert and George W. Wright, personally submitted copies in Washington D.C. of the new California Constitution and requested, “In the name of the people of California, the admission of the State of California into the American Union”; and

WHEREAS, On January 29, 1850, California Statehood was introduced as part of the Compromise of 1850 by U.S. Senator Henry Clay, leading to the introduction of the California Statehood Act (S. 169), also known as the California Admission Act, and approved 34-18 in the Senate on August 13, 1850 and 150-56 in the House of Representatives on September 7, 1850, later culminating in California’s entry as a free state by the signing of the legislation by the President Millard Fillmore on September 9, 1850; and

WHEREAS, Monterey County is proudly recognized as one of the original 27 counties established in the State of California by the first State Legislature on February 18, 1850, affirming Monterey County’s foundational role in California’s early statehood and governance; and

WHEREAS, Monterey County’s historic role in California’s path to statehood is a lasting source of pride, and the preservation of Colton Hall, where the Constitution was written, stands as a symbol of democratic ideals and the multi-cultural and multi-lingual roots of California’s founding; and

WHEREAS, The 175th Anniversary of Statehood is a time to recognize not only the governmental institutions that were born in Monterey, but also the diverse peoples, Native American, Spanish and Mexican Californios, immigrants, and settlers, who laid the foundation for California’s identity, values, and enduring pursuit of justice and opportunity.

NOW, THEREFORE, BE IT RESOLVED, that the County of Monterey Board of Supervisors, on behalf of the County and all residents thereof, hereby **commemorates the 175th Anniversary of California Statehood** and proudly honors the historic and foundational role Monterey County played in convening the 1849 Constitutional Convention, drafting California’s first Constitution, and petitioning for admission as the 31st state of the Union; and further declares Monterey County as the **“Birthplace of the California Constitution.”**

BE IT FURTHER RESOLVED, that County of Monterey reaffirms its commitment to the preservation of historical sites, the recognition of the significant contributions of Monterey County’s diverse people, and the education of future generations on the shared values of freedom, cultural diversity, and democratic governance that define California today.

PASSED AND ADOPTED this _____ day of _____, 2025, by the following vote, to wit:

AYES:

NOES:

ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____, 2025.

Dated:

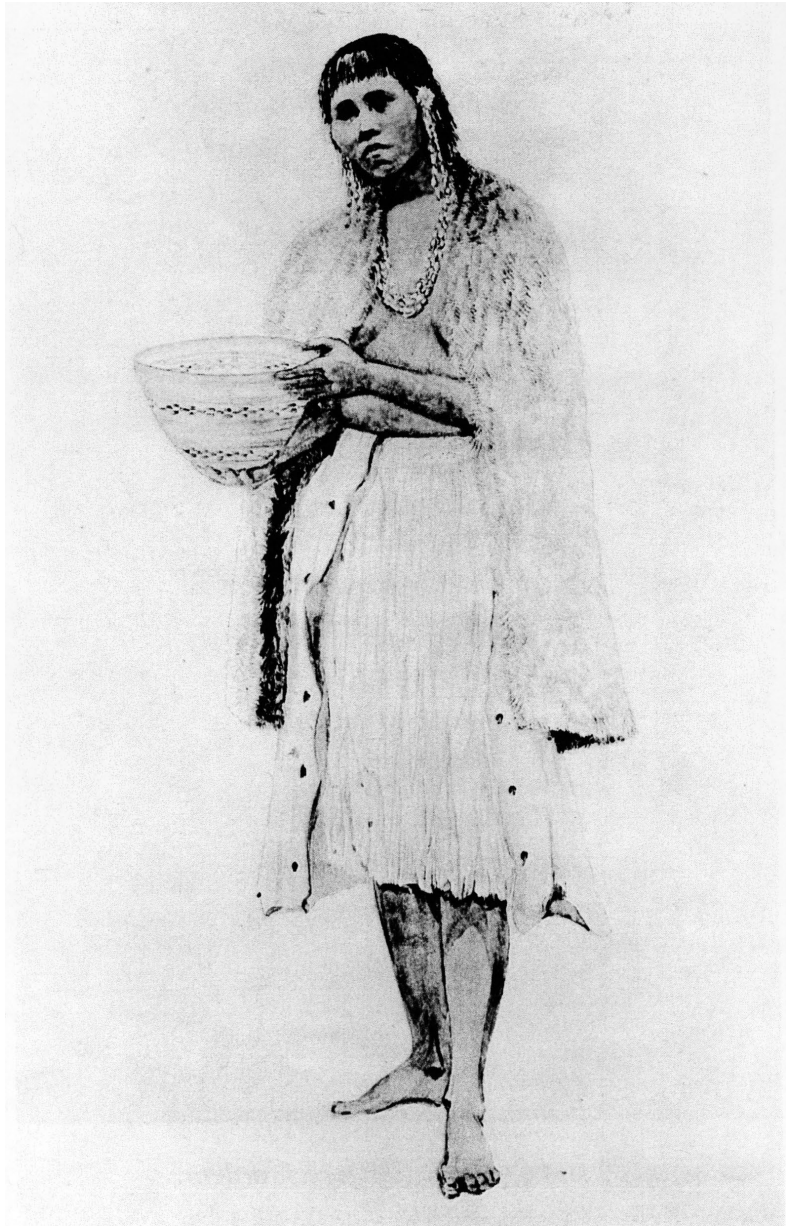
Valerie Ralph, Clerk of the Board of Supervisors

County of Monterey, State of California.

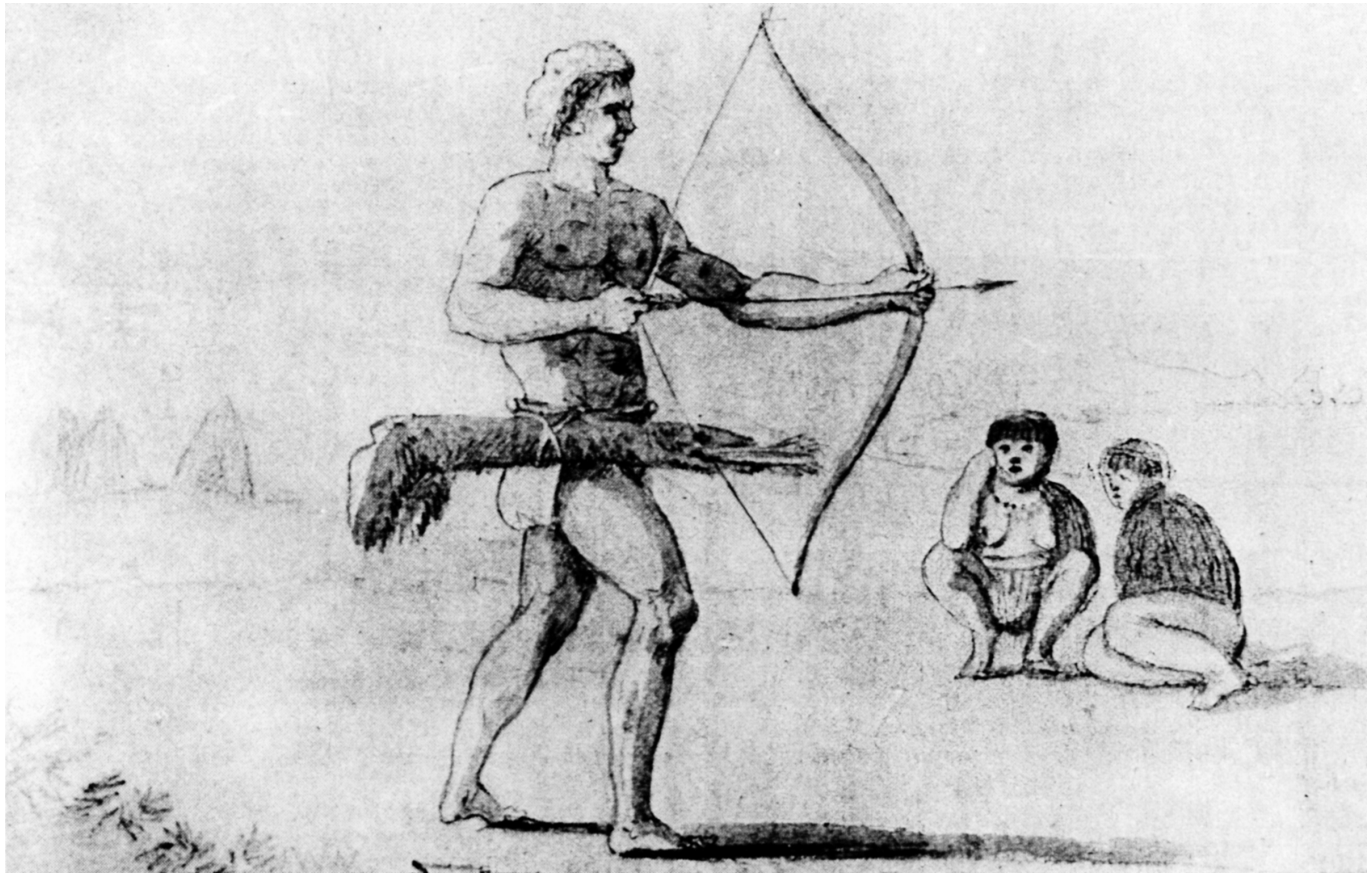
By_____

Deputy

Monterey in 1850



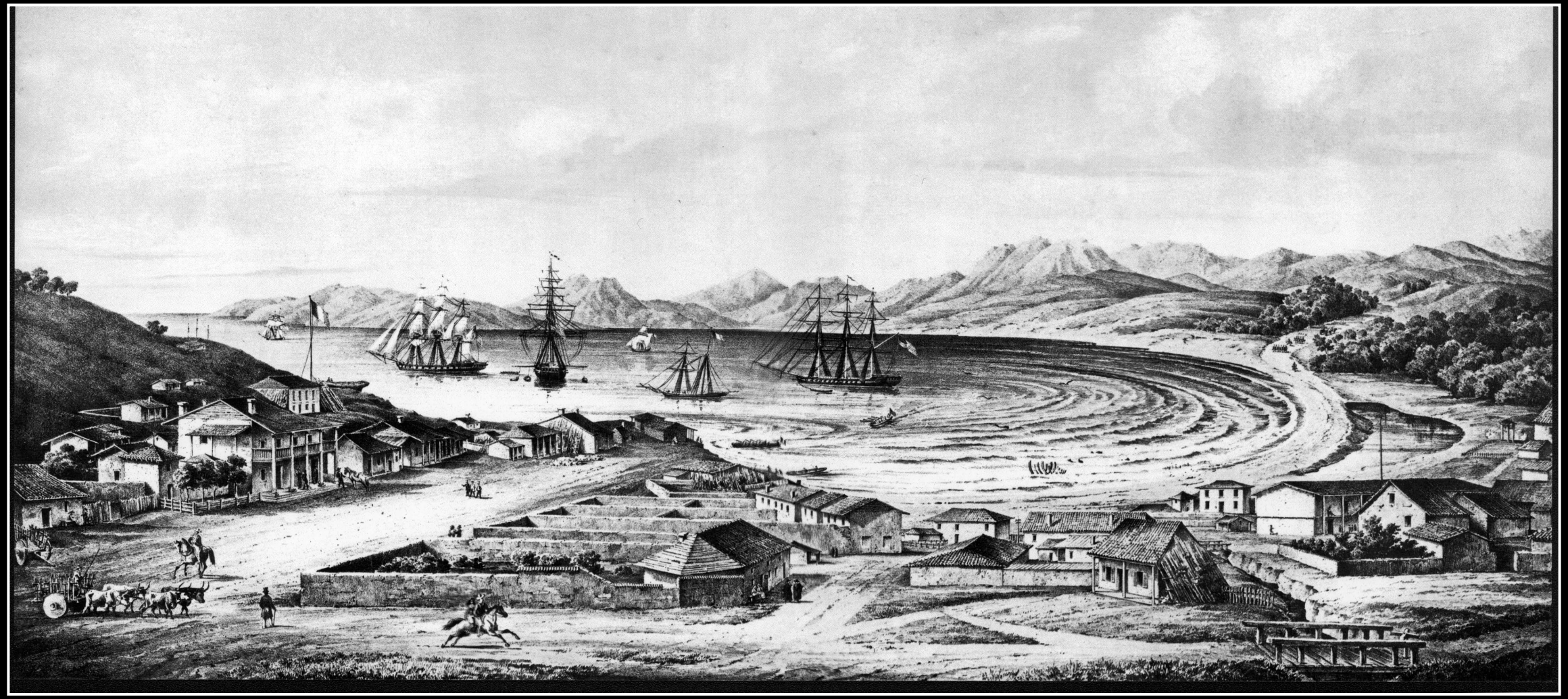
First People of Monterey



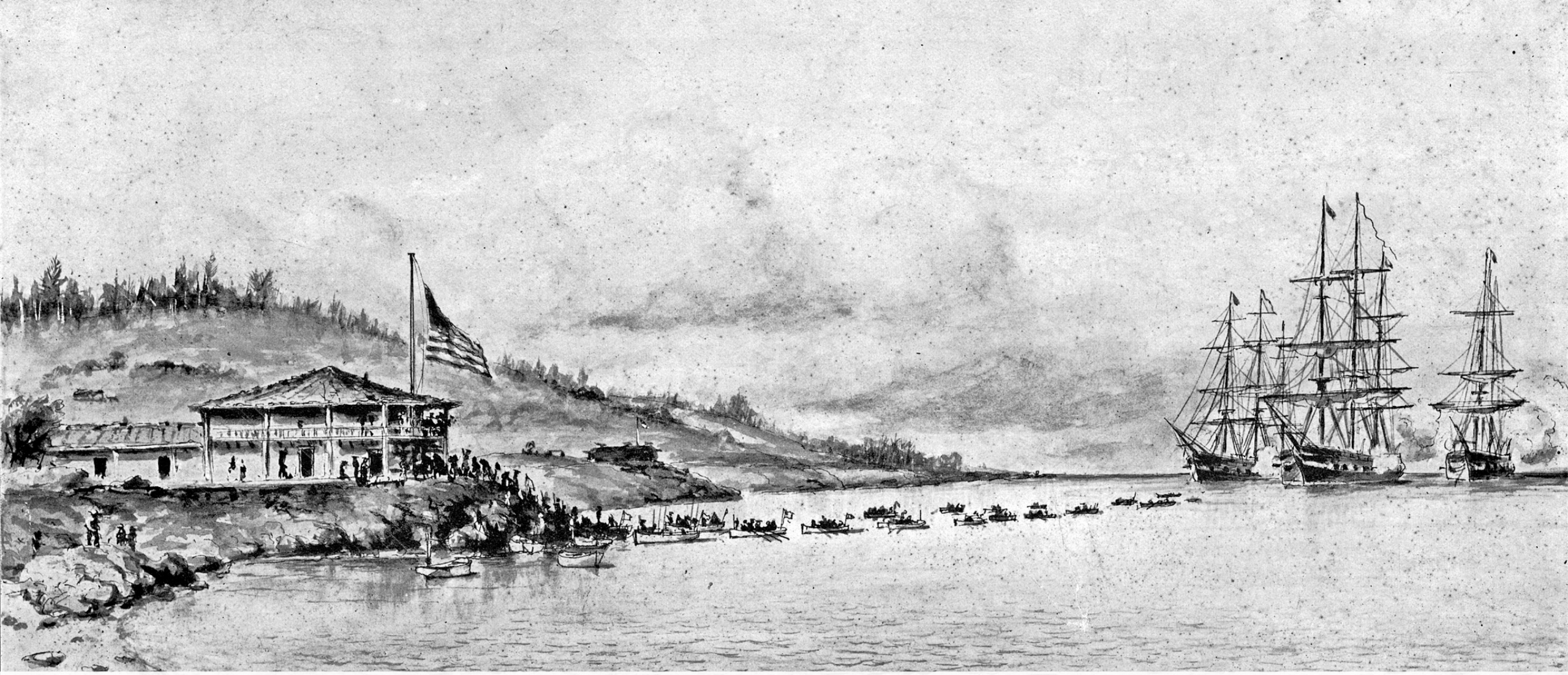
Spanish Era of Monterey Peninsula 1769+

Mexican California & Alta California Capitol

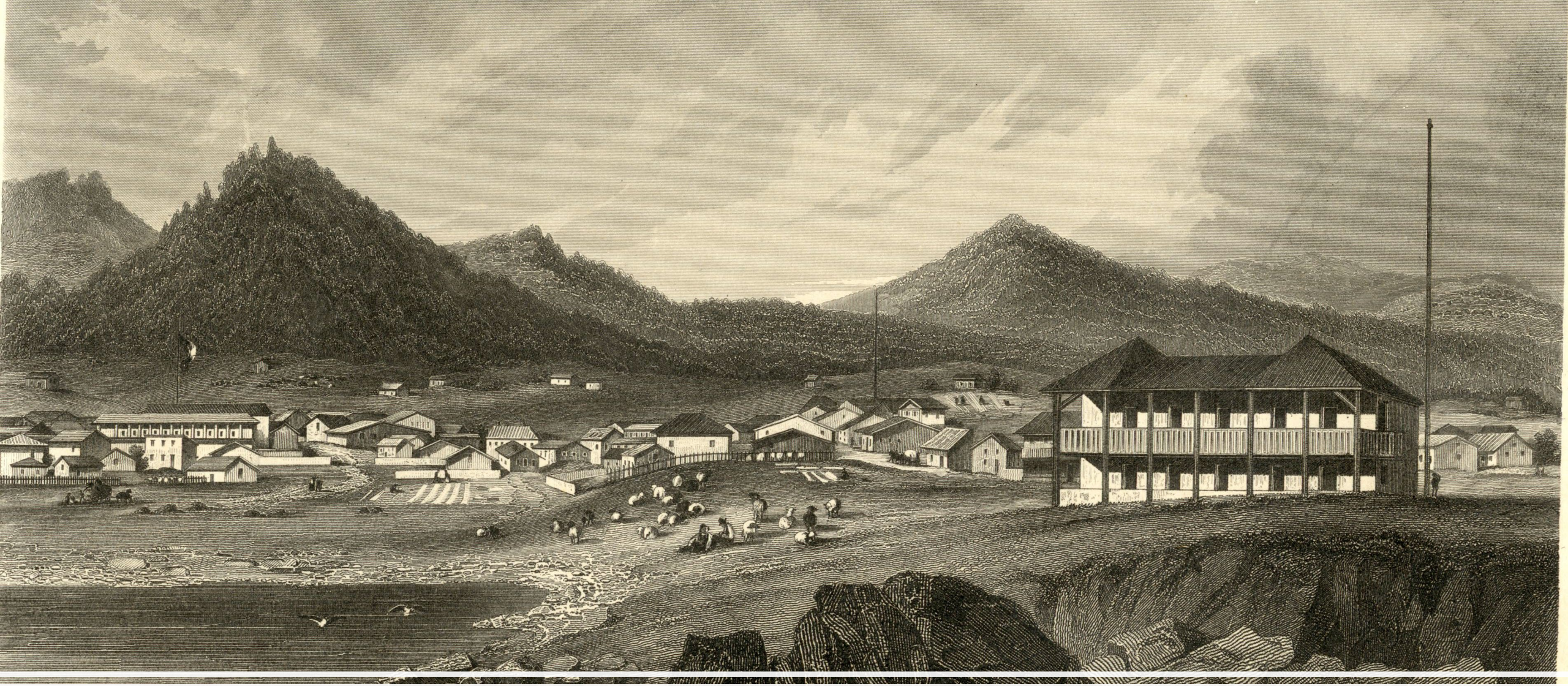
“Californios”



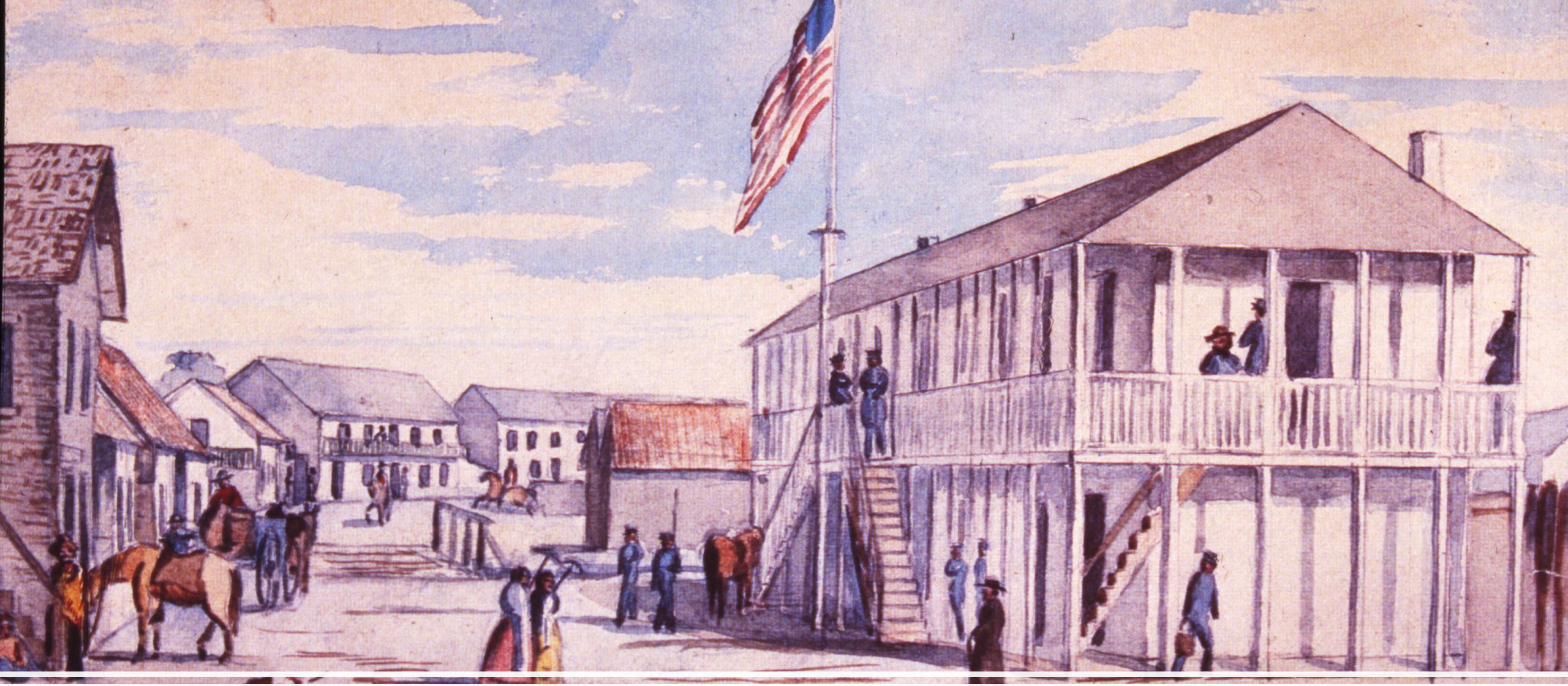
1842 View of Monterey



July 7th, 1846 – Sloat's Landing

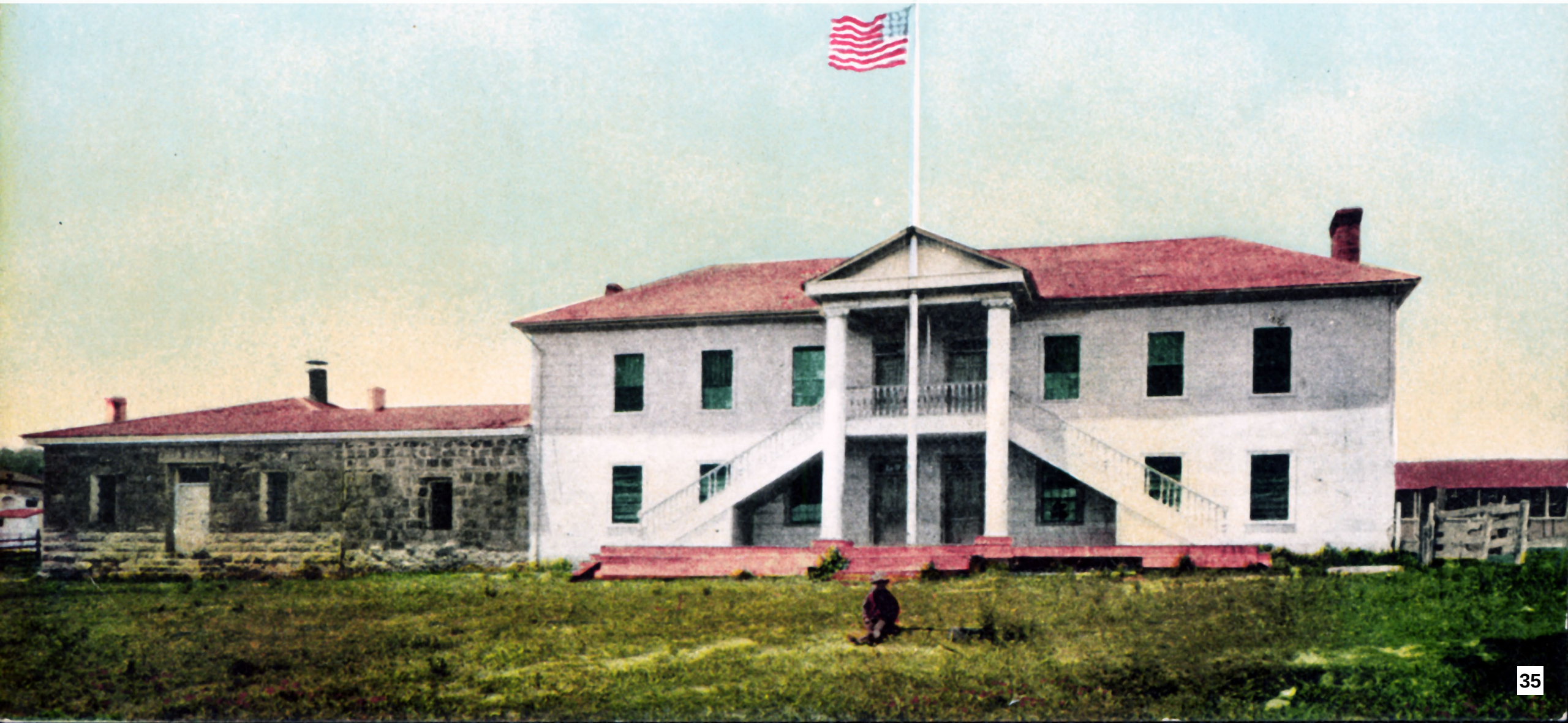


Monterey in 1849



Monterey : Capitol of Alta California from 1846 - 1850

Colton Hall & California Constitution



California Constitution

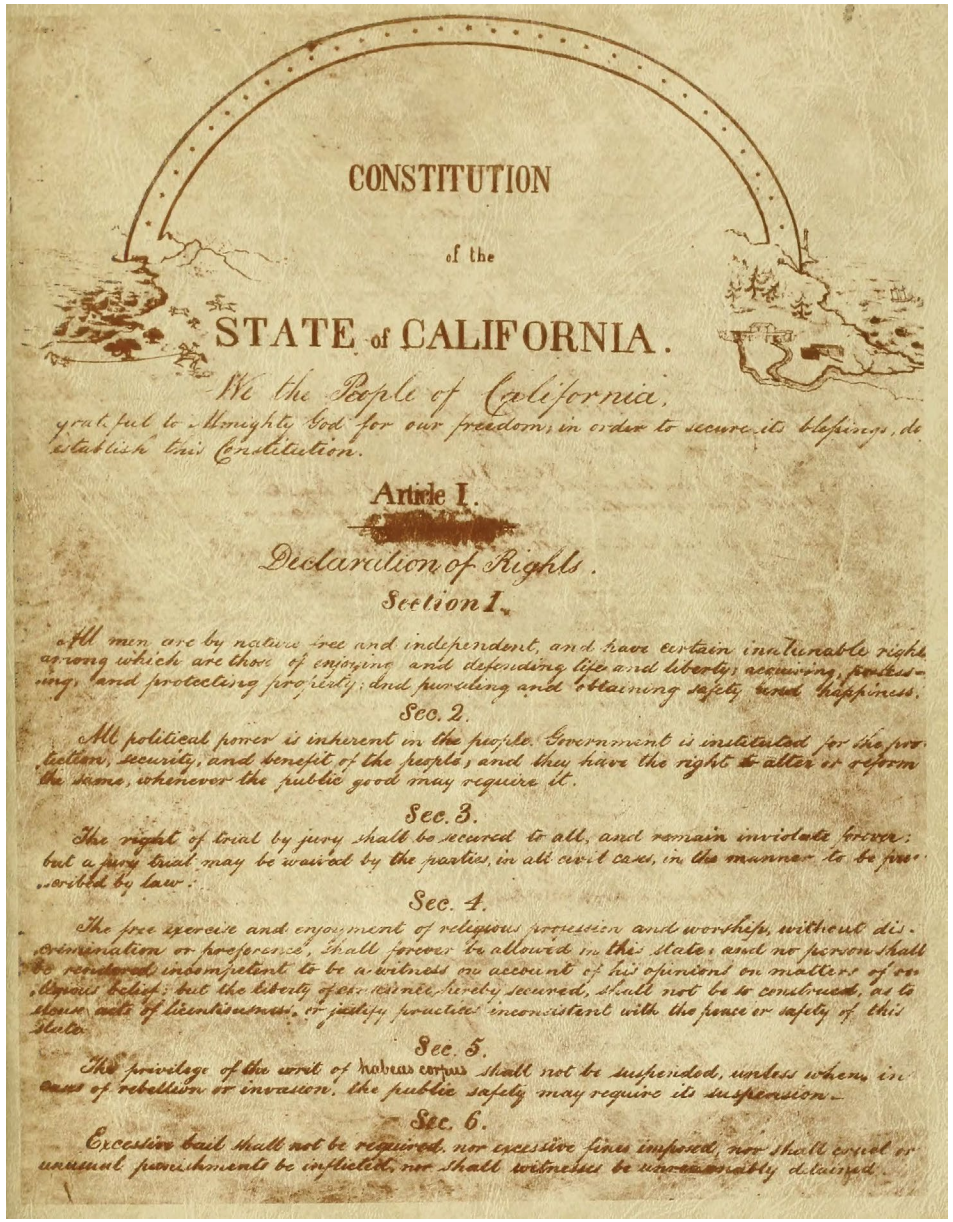
- All Californios / Mexican Citizens became United States Citizens through Treaty of Guadalupe Hidalgo
- Diseños influenced land maps and land transfers
- California became a free state
- Property rights were extended to women
- Established public schools
- All laws, publications, regulations were to be published in English & Spanish
- The right to vote was only for “white male citizens of the United States and white male citizens of Mexico”
- Boundaries of the state were decided
- San Jose set as the capitol

California Constitution

- June 3, 1849 General Riley announced a call for delegates
- Only 15 of 48 delegates had been in California prior to 1846
- Six-week timeline met to send the final document to Washington DC via Cape Horn
- William Hartnell served as official translator
- Approved by the voters
  - 12,061 to 811

- Ten Counties in 1850
  - Los Angeles
  - Monterey
  - Sacramento
  - San Diego
  - San Francisco
  - San Joaquin
  - San Jose
  - San Luis Obispo
  - Santa Barbara
  - Sonoma

Bilingual California Constitution/Constitucion



CONSTITUTION

of the

STATE of CALIFORNIA.

We the People of California,

grateful to Almighty God for our freedom, in order to secure its blessings, do establish this Constitution.

Article I.

Declaration of Rights.

Section 1.

All men are by nature free and independent, and have certain inalienable rights, among which are those of enjoying and defending life and liberty; acquiring, possessing, and protecting property; and pursuing and obtaining safety and happiness.

Sec. 2.

All political power is inherent in the people. Government is instituted for the protection, security, and benefit of the people; and they have the right to alter or reform the same, whenever the public good may require it.

Sec. 3.

The right of trial by jury shall be secured to all, and remain inviolate forever; but a jury trial may be waived by the parties, in all civil cases, in the manner to be prescribed by law.

Sec. 4.

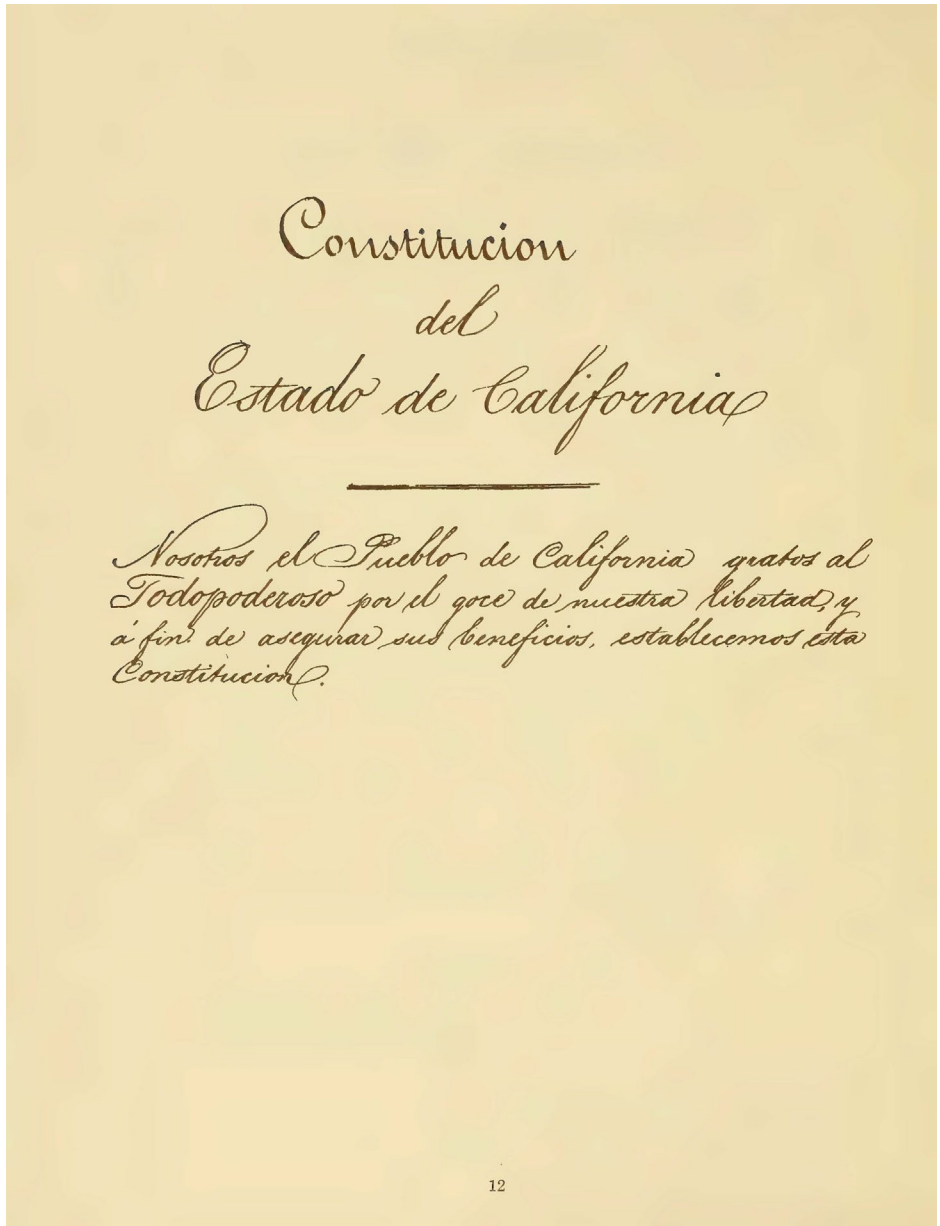
The free exercise and enjoyment of religious profession and worship, without discrimination or preference, shall forever be allowed in this State; and no person shall be rendered incompetent to be a witness on account of his opinions on matters of religious belief; but the liberty of conscience hereby secured, shall not be so construed, as to excuse acts of licentiousness, or justify practices inconsistent with the peace or safety of this State.

Sec. 5.

The privilege of the writ of habeas corpus shall not be suspended, unless when, in case of rebellion or invasion, the public safety may require its suspension.

Sec. 6.

Excessive bail shall not be required, nor excessive fines imposed, nor shall cruel or unusual punishments be inflicted, nor shall witnesses be unreasonably detained.



Constitucion

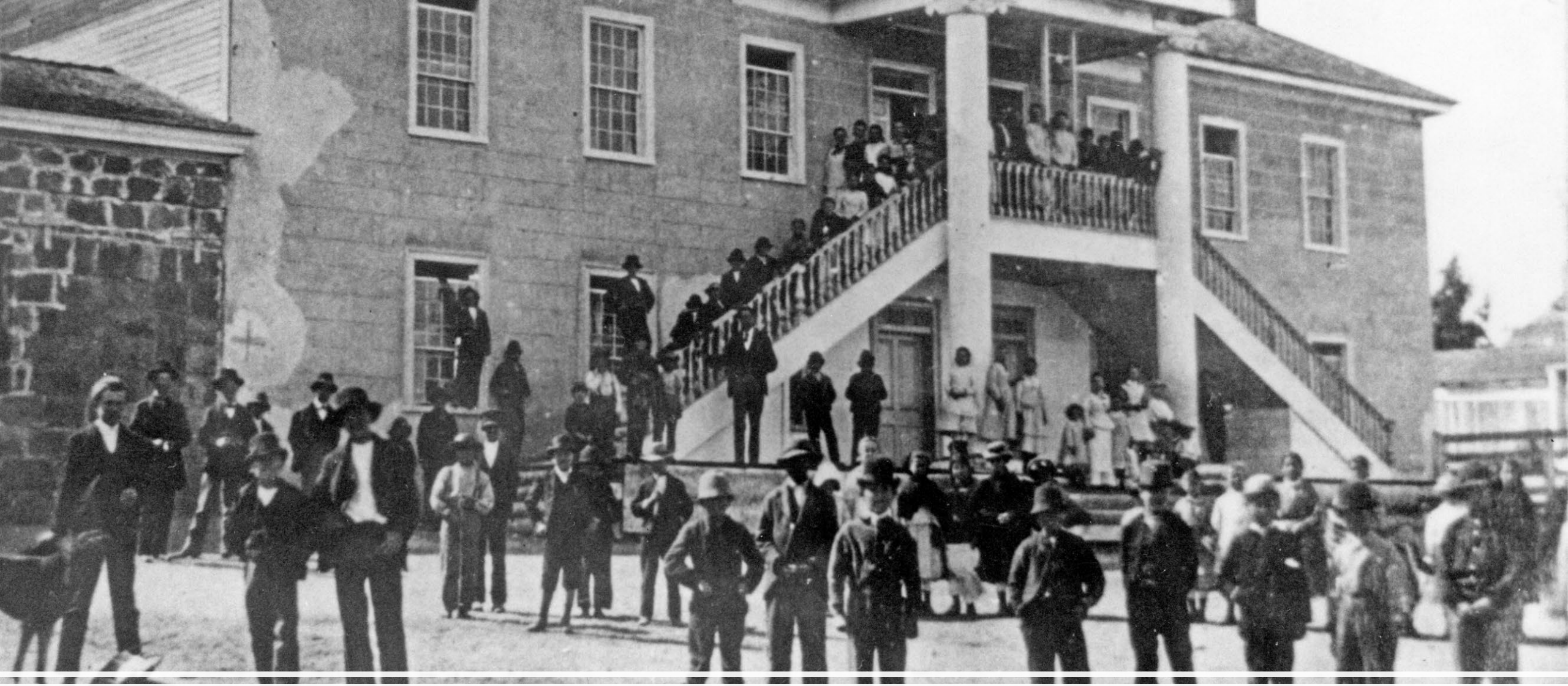
del

Estado de California

Nosotros el Pueblo de California gratos al Todopoderoso por el goce de nuestra libertad, y á fin de asegurar sus beneficios, establecemos esta Constitucion.

12

Fandango at Colton Hall, October 12, 1849



First Public Schoolhouse

Thank you & Cheers to 175

Brian Edwards
Library & Museums Director
City of Monterey
bedwards@monterey.gov
831.646.5602

County of Monterey

Item No.3

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

Legistar File Number: CR 25-127

August 26, 2025

Introduced: 8/21/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution commending Annette D'Adamo, Legislative Program Manager, upon her retirement after for more than twenty-two years of dedicated public service with the County of Monterey. (Supervisor Lopez)

Before the Board of Supervisors in and for the
County of Monterey, State of California

Resolution No.:
Adopt a resolution commending **Annette D'Adamo**, Legislative Program Manager, upon her retirement after for more than twenty-two years of dedicated public service with the County of Monterey.

WHEREAS, Annette D'Adamo earned a Bachelor of Arts in Humanities from California State University, East Bay, which laid the foundation for her lifelong dedication to civic service and public policy; and

WHEREAS, Annette D'Adamo began her career serving as Legislative Assistant and later District Director for Congressman Gary Condit, where she provided critical legislative support and constituent services, gaining extensive experience in federal legislative affairs and community engagement; and

WHEREAS, Annette D'Adamo later served as Public Affairs Specialist for the Modesto Irrigation District, where she developed communications strategies and strengthened relationships with community stakeholders on complex water and energy policy issues; and

WHEREAS, Annette D'Adamo's commitment to public health led her to roles with the American Cancer Society and the American Diabetes Association, where she advanced advocacy efforts in disease prevention, treatment access, and patient support; and

WHEREAS, Annette D'Adamo joined the County of Monterey as the Executive Assistant to the County Administrative Officer in 2003 and over the years, she received several promotions within the Management Analyst classification series and served as the Acting Clerk of the Board in 2008; and

WHEREAS, Annette D'Adamo has managed the County's legislative and grants services program since 2004, and it has developed into one of the most highly regarded legislative programs in the State, and in January 2024, her position was formally acknowledged through the approval of a classification study, resulting in her reclassification to the new position of Legislative Program Manager, and this change was due to the complexity and importance of the program; and

WHEREAS, Annette D'Adamo's role as Legislative Program Manager has represented the County of Monterey with professionalism and integrity, advocating on behalf of the County before local, state, and federal bodies; and

WHEREAS, Annette D'Adamo has demonstrated exceptional leadership and advocacy on innovative issues and during critical emergencies, including the COVID-19 pandemic, the Pajaro floods, and numerous devastating wildfires, through her vision and persistence, she helped shape first-of-their-kind legislation and programs that have had a lasting impact, such as securing N95 masks for farmworkers during wildfires, expanding broadband access to ensure all Californians stay connected, allowing cannabis reporting in county crop reports, and delivering crucial funding for the Pajaro River Levee Projec which led to $20 million in recovery funding for Pajaro and countless other initiatives that continue to protect and uplift vulnerable communities across our county; and

WHEREAS, Annette D'Adamo's leadership has strengthened the County's voice on legislative matters, secured critical resources, and influenced policy outcomes that have benefited the community in areas such as public health, safety, housing, infrastructure, and environmental sustainability; and

WHEREAS, throughout her tenure, Annette D'Adamo has skillfully advanced the County's legislative priorities, built strong relationships with policymakers and stakeholders, and provided invaluable counsel to the Board of Supervisors, County departments, and community partners; and

WHEREAS, Annette D'Adamo has exemplified excellence in public service, demonstrating exceptional communication, analytical, and strategic skills, and has earned the respect and admiration of colleagues, elected officials, and community partners, leaving a lasting impact on Monterey County government; and

WHEREAS, Annette D'Adamo's retirement marks the conclusion of a distinguished career in public service marked by commitment, integrity, and results that will continue to benefit the County for years to come.

NOW, THEREFORE, BE IT RESOLVED, that the County of Monterey Board of Supervisors express their deepest gratitude to **Annette D'Adamo** for her exemplary service, leadership, and unwavering dedication to the people of Monterey County, congratulates her on her retirement, and wishes her continued health, happiness, and success in all future endeavors.

PASSED AND ADOPTED on this __ day of ___ 2025, upon motion of Supervisor _____, seconded by Supervisor _____ by the following vote, to-wit:

AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-121

Item No.4

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/12/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution honoring the 28th Annual American Cancer Society Relay For Life of the Salinas Valley. (Supervisor Lopez)

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.:
Adopt a resolution honoring the **28th Annual American Cancer Society Relay For Life of the Salinas Valley.**

WHEREAS, the **Relay For Life of the Salinas Valley** is a volunteer-led movement that brings communities together to celebrate cancer survivors, honor those lost, and raise funds to improve the lives of people affected by cancer; and

WHEREAS, the **Relay For Life of the Salinas Valley** supports the American Cancer Society's mission through advocacy, research, and patient services to ensure equitable access to cancer prevention, detection, treatment, and survival; and

WHEREAS, thanks to the community's steadfast generosity in 2024, the **Relay For Life of the Salinas Valley** raised more than $641,000 in Monterey County to support the lifesaving work of the American Cancer Society; and

WHEREAS, the **Relay For Life of the Salinas Valley** has served as a beacon of hope for cancer survivors and their caregivers, raising nearly $18 million over the past twenty years, and in 2024 was ranked first in California and second nationwide for its extraordinary impact and outreach; and

WHEREAS, on September 20, 2025, **Relay For Life of the Salinas Valley** promises to be a day filled with hope and inspiration, featuring a celebratory lunch and live entertainment for more than three hundred survivors and caregivers, with over sixty teams and two thousand community members expected to participate in support of the fight against cancer.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors on behalf of all the County and its residents, thereof, hereby recognizes the **28th Annual American Cancer Society Relay For Life of The Salinas Valley** on this momentous occasion in 2025, and urges county residents to support and participate in this year's activities.

PASSED AND ADOPTED on this __ day of ___ 2025, upon motion of Supervisor _____, seconded by Supervisor _____ by the following vote, to-wit:

AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-128

Item No.5

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/21/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution celebrating the 50th Anniversary of the Seaside Branch Library in the Gordon R. Forrest Building. (Supervisor Askew)

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.:
Adopt a resolution celebrating the **50th Anniversary** of the **Monterey County Free Libraries Seaside Branch** in the Gordon R. Forrest Building.

WHEREAS, the community of Seaside has proudly been home to the **Monterey County Free Libraries Seaside Branch,** also known as **the Seaside Branch Library,** established in 1931 with support from the Emerson Library Club, a community book-sharing social club; and

WHEREAS, as the need for more books and space grew, the City of Seaside voters approved a bond in June 1968 to fund the construction of a new **Seaside Branch Library;** and

WHEREAS, on August 25, 1975, the present **Seaside Branch Library** opened its doors in the Gordon R. Forrest Building, establishing a permanent home that has stood as a cornerstone of learning, literacy, and civic life for 50 years; and

WHEREAS, within the walls of the **Seaside Branch Library**, thousands of children, families, and lifelong learners have embarked on journeys of imagination, exploration, and discovery, shaping not only individual lives but the collective spirit of the city; and

WHEREAS, the **Seaside Branch Library** continues to embody the enduring power of libraries as places of inclusion, equity, and opportunity, providing vital resources that foster literacy, digital access, cultural enrichment, and intellectual growth for all; and

WHEREAS, this 50-year milestone is a testament to the vision of those who invested in a permanent home for the **Seaside Branch Library**, and to the unwavering dedication of library staff, volunteers, and supporters who have sustained its mission across decades; and

WHEREAS, the **Seaside Branch Library** is a cherished landmark and a vibrant hub of knowledge, connection, and opportunity whose continued role in inspiring generations to come is expected and deeply appreciated.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors on behalf of all the County and its residents thereof, hereby proudly commemorates the **50th Anniversary of the Monterey County Free Libraries Seaside Branch** in the Gordon R. Forrest Building, honoring its profound and lasting impact on the past, present, and future of our community.

PASSED AND ADOPTED on this __ day of ___ 2025, upon motion of Supervisor _____, seconded by Supervisor _____ by the following vote, to-wit:

AYES:

NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-123

Item No.6

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/13/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution proclaiming September 2025 as Childhood Cancer Awareness Month in the County of Monterey. (Supervisor Lopez)

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.:
Adopt a resolution proclaiming September 2025 as **Childhood Cancer Awareness Month** in the County of Monterey.

WHEREAS, the American Cancer Fund for Children and Kids Cancer Connection reports that cancer is the leading cause of death by disease among children in the United States between infancy and age fifteen; and

WHEREAS, this tragic disease is diagnosed in more than 16,000 young people in the United States each year, and an estimated 400,000 children and adolescents are diagnosed with cancer worldwide annually; and

WHEREAS, one in five children in the United States who are diagnosed with cancer lose their battle with the disease; and

WHEREAS, many infants, children, and teenagers who undergo cancer treatment experience long-term side effects, including the development of secondary cancers; and

WHEREAS, founded over thirty years ago by Steven Firestein, a member of the philanthropic Max Factor cosmetics family, the American Cancer Fund for Children, Inc., Kids Cancer Connection, Inc., along with Lions Clubs International are dedicated to helping these children and their families; and

WHEREAS, the American Cancer Fund for Children and Kids Cancer Connection offer essential psychosocial support services to children receiving cancer treatment at Lucile Packard Children's Hospital Stanford, University of California San Francisco Benioff Children's Hospitals, Ronald McDonald Care Mobile, Cottage Children's Medical Center, Valley Children's Healthcare and Hospital, City of Hope National Medical Center, and other participating hospitals across the country; and

WHEREAS, these services improve the quality of life for young patients and their families during and after cancer treatment; and

WHEREAS, the American Cancer Fund for Children and Kids Cancer Connection also sponsor uplifting programs such as toy distributions, Music is Medicine, family sailing adventures, It's Magic! Nothing is Impossible, pet-assisted therapy, Laughternoon – Laughter is Healing, sensory gardening, the Supercar Experience, Home and Hospital Instruction, and hospital celebrations.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors, on behalf of all the County and its residents, thereof, hereby recognizes September 2025 as Childhood Cancer Awareness Month in the County of Monterey and encourages all residents to get involved in the fight against childhood cancer.

PASSED AND ADOPTED on this __ day of ___ 2025, upon motion of Supervisor _____, seconded by Supervisor _____ by the following vote, to-wit:

AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-125

Item No.7

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/20/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution Recognizing Ronald Granberg For His Exemplary Service and Unwavering Dedication in the Pursuit of Justice Throughout His Distinguished Career and for Receiving the Monterey County Bar Association's Justice Nat Agliano Lifetime Achievement Award. (Supervisor Alejo)

Before the Board of Supervisors in and for the
County of Monterey, State of California

Resolution No.:
Adopt Resolution Recognizing **Ronald Granberg** For His Exemplary Service and Unwavering Dedication in the Pursuit of Justice Throughout His Distinguished Career and for Receiving the Monterey County Bar Association's Justice Nat Agliano Lifetime Achievement Award.

WHEREAS, Ronald Granberg has embodied the ideals championed by the late Justice Nat Agliano—integrity, humility, intellectual curiosity, thoughtfulness, generosity, kindness, and a genuine interest in those around him; and

WHEREAS, Ronald Granberg is a Past President of the Monterey County Bar Association (MCBA), a Past President of the California Association of Certified Family Law Specialists (ACFLS), and a Past President of the Northern California Chapter of the American Academy of Matrimonial Lawyers (AAML); and

WHEREAS, Ronald Granberg is a fellow of the International Academy of Family Lawyers. He has received Monterey County Bar Association's "Lewis L. Fenton Excellence in Advocacy Award," California Association of Certified Family Law Specialists' "Hall of Fame Award," NorCal American Academy of Matrimonial Lawyers Chapter's "Fellow of the Year Award," and SoCal American Academy of Matrimonial Lawyers Chapter's "Family Law Person of the Year Award"; and

WHEREAS, Ronald Granberg taught Legal Research and Writing at Monterey College of Law (MCL) for 37 years. Also teaching Trial Advocacy there for 24 years. He is a six-time recipient of Monterey College of Law's "Professor of the Year Award" and a Monterey College of Law Distinguished Professor Emeritus; and

WHEREAS, Ronald Granberg is the author of California Legal Research and 22 family law articles. He has made over 200 presentations to family law groups.

NOW, THEREFORE BE IT RESOLVED, that the County of Monterey Board of Supervisors, on behalf of the County and all residents thereof, hereby acknowledge, commends, and thanks **Ronald Granberg** for his exemplary service and dedication in the pursuit of justice over his career and congratulate him for receiving the Monterey County Bar Association's Justice Nat Agliano Lifetime Achievement Award. We wish him much happiness and continued success.

PASSED AND ADOPTED this _____ day of _____, 2025, by the following vote, to wit:
AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____, 2025.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California.

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: CR 25-124

Item No.8

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/19/2025
Version: 1

Current Status: Ceremonial Resolution
Matter Type: Ceremonial Resolution

Adopt a resolution honoring the North County Steering Committee for Safe Routes to School for their formative role in the participatory budgeting process between the Transportation Agency for Monterey County and the County of Monterey. (Supervisor Church)

Before the Board of Supervisors in and for the
County of Monterey, State of California

Resolution No.:
Adopt a Resolution honoring the **North County Steering Committee for Safe Routes to School** for their formative role in the participatory budgeting process between the Transportation Agency for Monterey County and the County of Monterey.)

WHEREAS, the participatory budgeting process consisted of four elements: creating the ballot, planning an election strategy plan, conducting voting, and publishing election results; and

WHEREAS, Steering Committee members attended monthly three-hour meetings for a year, designing the election process and leading outreach for the community election; and

WHEREAS, the ballot included proposals for street projects that would make it safer and more comfortable for students and families to get to and from schools in five communities within North County, and a total of 999 community members voted for their favorite proposals; and

WHEREAS, TAMC will provide a grant up to $1,000,000 to implement projects that come out of the participatory budgeting process, of which $781,500 will fund projects on County roadways and $218,500 of which will fund projects on school district property.

NOW, THEREFORE BE IT RESOLVED that the County of Monterey Board of Supervisors hereby recognize and honor the North County Steering Committee for Safe Routes to School for their dedication to the safety of families as they support their students getting safely to school.

PASSED AND ADOPTED on this __ day of _____, 2024, by the following vote, to wit:

AYES:

NOES:

ABSENT:

I, Valeria Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____, 2024.
Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California.

By_____
Deputy

County of Monterey

Board Report

Legistar File Number: APP 25-118

Item No.9

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 7/31/2025
Version: 1

Current Status: Appointment
Matter Type: Appointment

Appoint Jaqueline Cruz Ed.D. to Natividad Medical Center Board of Trustees as a Representative with Experience as a Community Leader to fill an unexpired term ending on August 12, 2026. (Nominated by Natividad Medical Center Board of Trustees)

COUNTY OF MONTEREY

CLERK OF THE BOARD OF SUPERVISORS

To: Clerk of the Board's Office

From: NATIVIDAD MEDICAL CENTER BOARD OF TRUSTEES - CLERK

RE: Notification to Clerk of Appointment

Board of Supervisors' Meeting Date: 08/12/2025

Appointment to the: Natividad Medical Center Board of Trustees

Nominated by: Natividad Medical Center Board of Trustees

Representing: Natividad Medical Center Board of Trustees / Experience as a Community Leader

Nominated Appointee:

Name: Jaqueline Cruz

Address: [redacted]

Telephone number(s):
Primary Phone: [redacted]

Email: [redacted]

Contact preference: ☐ USPS Mail or via Email ☒

Reason for Nomination:

☐ New Appointment

Replacing Member:

☐ Reappointment

☒ Filling an Unscheduled/Unexpired Term

Replacing Member: Betty Saxon

Reason: ☒ Resignation ☐ Death ☐ Term not completed ☐ Other (explain)

Clerk noticed of Unscheduled/Unexpired Term on: 01/2025

Earliest Board of Supervisors' meeting date appointment can be set is:

Term:

Start Date: **08/12/2025** Expiration Date: **08/12/2026**

Jaqueline Cruz, Ed.D.
Vice President of Institutional Advancement and Development, Hartnell College
Executive Director, Hartnell College Foundation

Contact Information
[redacted]

Professional Summary

Accomplished leader with over 26 years of experience in resource development, community and industry partnerships for inclusive economic advancement. Serving as Vice President of Advancement at Hartnell College and Executive Director of the Hartnell College Foundation, Jackie leads strategic initiatives that foster equity, economic prosperity, and educational attainment. Passionate about supporting youth and women's advancement, she has successfully led multi-faceted campaigns, developed impactful partnerships, and driven innovative programs to close equity gaps and enhance community well-being.

Education

- **Doctor of Education** | University of Southern California
- **Master of Business Administration** | Chapman University
- **Bachelor's Degree** | Chapman University
- **Associate Degree** | Hartnell College

Professional Experience

Hartnell College

Vice President of Advancement | Executive Director, Hartnell College Foundation
2009 – Present

- Spearheaded initiatives to expand workforce programs and student facilities through innovative partnerships, specifically, the campaigns to expand higher education access to residents in South County, to expand the Center for Nursing and Health Sciences, and to expand programs in Science, Technology, Engineering, Math, Teacher Pathways, and Agriculture and Ag Tech.
- Designed and led the Foundation's Advancement and Foundation Team, overseeing public and private resource development, alumni relations, government relations, and cross-sector partnerships.
- Directed two comprehensive campaigns, five capital campaigns, and a bond campaign.
- Cultivated vibrant relationships with local industry and key foundations, securing resources to address equity gaps and increase higher education attainment in the Salinas Valley.

Leadership Roles and Key Initiatives

- **Executive Leader**, Measure T Leadership Committee
- **Founding Chair**, Hartnell College Task Force on Racial Equity and Social Justice (2020 – 2024)
- **Founder and Executive Sponsor**, Salinas Valley Promise (2018 – Present)
- **Executive Leader**, Hartnell College Ag Steering Committee
- **Executive Leader**, Bright Futures Education Partnership (Cradle to Career)
- **Executive Leader and Co-Founder**, Salinas Valley Health Professions Pathway Partnership
- **Executive Leader**, Bridging the Gap Initiative
- **Executive Leader and Co-Founder**, Women's Education and Leadership Institute and Women's Leadership and Economic Forum
- **Executive Leader and Co-Founder**, The Salinas Valley Ag Tech Alliance
- **Executive Leader and Founder**, Monterey County STEM Task Force and STEM Talent Expo
- **Executive leader**, Blueprint for College and Career Workforce Systems- The Career Hub

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United Way of Monterey County

1999 – 2009

- Developed and executed community-focused programs to address socio-economic challenges and support families in Monterey County.

Current Board Leadership and Advisory Roles

- **President**, DigitalNEST Board
- **Treasurer**, Rancho Cielo Board
- **Executive Committee, Vice President and Chair of Professional Development**, Network for California Community College Foundations
- Advisor to the James Irvine Foundation Priority Communities Strategic Plan Refresh
- Advisor to the Salinas Inclusive Economic Development Initiative
- Advisory Board, Mujeres En Acción
- Advisors, The Reservoir

Achievements and Recognition

- USC Rossier School of Education, Dissertation of Distinction – 2025
- Latina Advocate, State Assembly District 29 – 2025
- Monterey Bay Business Hall of Fame Laureate – January 2025
- Distinguished Woman of the Year- State Senate District 17 – 2024
- Hartnell College Leadership and Courage Award (Measure T) – 2016
- Woman of the Year, State Assembly District 29 – 2016

- Citizen of the Year – 2008 Salinas Valley Chamber of Commerce
- Successfully advanced equity-focused programs that increased higher education opportunities and workforce readiness in the Salinas Valley.
- Built enduring partnerships with local industries, municipalities, and educational organizations.
- Advocated for youth and women's economic empowerment through targeted initiatives and leadership roles

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Personal Interests

- Proud mother of four children, guided by a deep commitment to nurturing families and building connected, resilient communities.
- Passionate soccer player and advocate for youth and women’s participation in sports, regularly organizing and supporting local athletic programs.
- Entrepreneur driven by innovation and impact, with a track record of launching ventures focused on community, empowerment, and sustainability. Experienced in turning ideas into actionable business strategies and mentoring others on their entrepreneurial journey.

County of Monterey

Board Report

Legistar File Number: OBM 25-124

Item No.10

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/12/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Other Board Matters

See Supplemental Sheet

County of Monterey

Board Report

Legistar File Number: OBM 25-125

Item No.11

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/12/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Other Board Matters

General Public Comments

Introduced: 8/21/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

a. Review and provide input on from the Measure AA Ad Hoc Committee:
i. FY 2025-26 budget priorities in the County's unincorporated areas will mirror FY 2024-25 (Resolution No. 24-337);
ii. Beginning with FY 2026-27, the Board will allocate funding on a quarterly **OR** annual basis, as part of the budget planning process;
iii. Revenues will focus on new projects and programs; and,
iv. Revenues shall not be utilized to fund ongoing commitments.
b. Affirm $1,450,000 in Measure AA revenue to support AXON body-cameras in the unincorporated areas;
c. Affirm $50,000 in Measure AA revenue to support the Reservoir's AgTech initiatives in the unincorporated areas;
d. Affirm $50,000 in Measure AA revenue to support Regenerative California's blue economy and fisheries initiatives in the unincorporated areas; and,
e. Provide further direction, as appropriate. (ADDED/REVISED VIA SUPPLEMENTAL)

RECOMMENDATION: (ADDED VIA SUPPLEMENTAL)
It is recommended that the Board of Supervisors:

a. Review and provide input on recommendations from the Measure AA Ad Hoc Committee:
   i. FY 2025-26 budget priorities in the County's unincorporated areas will mirror FY 2024-25 (Resolution No. 24-337);
   ii. Beginning with FY 2026-27, the Board will allocate funding on a quarterly **OR** annual basis, as part of the budget planning process;
   iii. Revenues will focus on new projects and programs; and,
   iv. Revenues shall not be utilized to fund ongoing commitments.
b. Affirm $1,450,000 in Measure AA revenue to support AXON body-cameras in the unincorporated areas;
c. Affirm $50,000 in Measure AA revenue to support the Reservoir's AgTech initiatives in the unincorporated areas;
d. Affirm $50,000 in Measure AA revenue to support Regenerative California's blue economy and fisheries initiatives in the unincorporated areas; and,
e. Provide further direction, as appropriate.

SUMMARY: (ADDED VIA SUPPLEMENTAL)
The Measure AA Ad Hoc Committee (Ad Hoc Committee) was established by the Board of

Supervisors (Board), following the passage of Measure AA, a 1% sales tax for general governmental purposes and consumption in unincorporated Monterey County, in November 2024. In January 2025, supervisors from Districts 2 and 3 were assigned to this committee. Staff have tracked the revenue collected through this sales tax, which was initially estimated by Hinderliter, de Llamas and Associates (HdL) at $29 million annually and became effective in April 2025. HdL's estimate was later reduced to $24 million. The revenue collected is $2,011,154 in April and May 2025. The Board is now asked to (1) consider recommendations from the Ad
Hoc Committee related to funding parameters for the sales tax revenue, and (2) provide direction to staff, as appropriate. In a future item, staff will request guidance for the establishment of a standing committee to review budgetary requests for Measure AA revenue and an advisory committee to audit the related expenditures.

DISCUSSION: (ADDED VIA SUPPLEMENTAL)
On March 12, 2024, the Board received the Financial Forecast, which assessed the County's fiscal condition for FY 2023-24 and three forecast years (FYs 2024-25 through 2026-27). The County Administrative Office (CAO) staff explained that revenue growth is not sufficient to keep up with the increased cost of doing business.

On March 28, 2024, the County Administrative Officer provided a memorandum with options to enhance the County's financial condition in FY 2024-25 and future fiscal years. On May 7, 2024, the Board directed staff to explore both the sales tax and Transient Occupancy Tax (TOT) to identify options, gather feedback from voters through polling, and bring back a timeline on how and when to move forward.

On May 29, 2024, the information obtained from polling the electorate was presented to the Board, which indicated the County's electorate favored both measures: 61% for a sales tax increase and 63% for a TOT increase. The top voter priorities identified as addressing homelessness and housing affordability, repairing roads, and maintaining critical infrastructure. A summary of the polling results is attached to this report as Exhibit A.

On June 20, 2024, the Board adopted Resolution No. 24-236 calling for an Election to submit to the qualified Electors of the County of Monterey a Measure to raise the Retail Transactions and Use Tax (Sales Tax) in the Unincorporated Area by One Percent. Ordinance No. 5423, adopted by the Board on August 27, 2024, added Chapter 5.38 of the Monterey County Code and noted the tax is for general governmental purposes and consumption in unincorporated Monterey County.
On September 24, 2024, the Board approved and adopted Resolution No. 24-337 supporting FY 2024-25 budget priorities for future discretionary funds made available to use in the unincorporated area of the County:

1) Road Repair and Infrastructure Projects - repair roads and bridges, fix potholes, and address failing public facilities and infrastructure that have exceeded their useful life.
2) Water and Sewer (Wastewater) Infrastructure Projects - make repairs to improve reliability, efficiency, quality, and service for reliable, sustainable, and safe water.
3) Parks Projects - restoring the recreational features and improving our County

parks and lake recreational facilities for enhancing resident and visitorship experience.

4) Essential and Mandated County services, programs, and improvements, including but not limited to strategies to address housing affordability, reduce homelessness, and provide healthcare services for children and vulnerable populations.
5) Emergency Management and Response Services, including disaster response, animal services, and emergency communications.

On November 5, 2024, voters approved Measure AA with 53.33% voting yes.

On January 7, 2025, the Board established an Ad Hoc Committee consisting of Board Members from Supervisorial Districts 2 and 3 to provide recommendations related to the general governmental use of Measure AA revenue in the unincorporated areas of Monterey County.

The CAO's FY 2025-26 Recommended Budget, released in May 2025, used Measure AA funds ($1,873,679) to support services in unincorporated areas of the County.

- Sheriff's patrol staffing ($749,892 for three positions);
- Housing and Community Development services ($936,287);
- Health Department food vendor compliance and animal services ($90,000); and,
- Public Works, Facilities, and Parks temporary staff ($97,500).

At the end of May 2025, during the Budget Hearings, the Board affirmed the services to be funded with Measure AA revenue and expanded the use further ($2,450,117) when the Budget was adopted in June 2025.

- Offsetting a reduction in contribution level from TOT to the Road Fund ($1,673,966);
- Sheriff's three vacant positions restored ($568,528);
- Health Department animal services spay and neuter clinic ($26,780); and
- Hitchcock Road Animal Services county's share of salary and benefits for positions supporting ($180,842).

The total Measure AA revenue used for the FY 2025-26 Adopted Budget were $4,323,796.

The Board is asked to affirm $1,450,000 million for the AXON cameras requested by the Sheriff's Office, $50,000 for the Regenerative California's blue economy and fisheries initiatives, and $50,000 for the Reservoir's AgTech initiatives, in the unincorporated areas of the County.

For further use of Measure AA, the Ad Hoc Committee was asked to bring forward recommendations for the Board's consideration. The Board is asked to review and provide feedback on the proposed funding parameters.

OTHER AGENCY INVOLVEMENT: (ADDED VIA SUPPLEMENTAL)
The County Administrative Office coordinated with the Office of County Counsel on the development of this report. The Ad Hoc Committee provided the proposed recommendations.

FINANCING: (ADDED VIA SUPPLEMENTAL)
There is no impact to the General Fund associated with the recommended actions. HdL

estimates that the 1% sales tax could generate approximately $24,000,000 for FY 2025-26. This estimate and recognized revenues can vary annually.

Prepared by: Karina Bokanovich, Management Analyst III
Approved by: Nicholas E. Chiulos, Chief Assistant County Administrative Officer

Attachments:

- Public Opinion Polling Results presented to Board on 5/29/24
- Resolution No. 24-236 - Calling for Election
- Resolution No. 24-337 - FY 2024-25 Budget Priorities
- Ordinance No. 5423

Introduced: 8/21/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

a. Review and provide input on from the Measure AA Ad Hoc Committee:
i. FY 2025-26 budget priorities in the County's unincorporated areas will mirror FY 2024-25 (Resolution No. 24-337);
ii. Beginning with FY 2026-27, the Board will allocate funding on a quarterly **OR** annual basis, as part of the budget planning process;
iii. Revenues will focus on new projects and programs; and,
iv. Revenues shall not be utilized to fund ongoing commitments.
b. Affirm $1,450,000 in Measure AA revenue to support AXON body-cameras in the unincorporated areas;
c. Affirm $50,000 in Measure AA revenue to support the Reservoir's AgTech initiatives in the unincorporated areas;
d. Affirm $50,000 in Measure AA revenue to support Regenerative California's blue economy and fisheries initiatives in the unincorporated areas; and,
e. Provide further direction, as appropriate. (ADDED/REVISED VIA SUPPLEMENTAL)

RECOMMENDATION: (ADDED VIA SUPPLEMENTAL)
It is recommended that the Board of Supervisors:

a. Review and provide input on recommendations from the Measure AA Ad Hoc Committee:
   i. FY 2025-26 budget priorities in the County's unincorporated areas will mirror FY 2024-25 (Resolution No. 24-337);
   ii. Beginning with FY 2026-27, the Board will allocate funding on a quarterly **OR** annual basis, as part of the budget planning process;
   iii. Revenues will focus on new projects and programs; and,
   iv. Revenues shall not be utilized to fund ongoing commitments.
b. Affirm $1,450,000 in Measure AA revenue to support AXON body-cameras in the unincorporated areas;
c. Affirm $50,000 in Measure AA revenue to support the Reservoir's AgTech initiatives in the unincorporated areas;
d. Affirm $50,000 in Measure AA revenue to support Regenerative California's blue economy and fisheries initiatives in the unincorporated areas; and,
e. Provide further direction, as appropriate.

SUMMARY: (ADDED VIA SUPPLEMENTAL)
The Measure AA Ad Hoc Committee (Ad Hoc Committee) was established by the Board of Supervisors (Board), following the passage of Measure AA, a 1% sales tax for general governmental purposes and consumption in unincorporated Monterey County, in November 2024. In January 2025, supervisors from Districts 2 and 3 were assigned to this committee. Staff have tracked the revenue collected through this sales tax, which was initially estimated by Hinderliter, de Llamas and Associates (HdL) at $29 million annually and became effective in April 2025. HdL's estimate was later reduced to $24 million. The revenue collected is $2,011,154 in April and May 2025. The Board is now asked to (1) consider recommendations from the Ad Hoc Committee related to funding parameters for the sales tax revenue, and (2) provide direction to staff, as appropriate. In a future item, staff will request guidance for the establishment of a standing committee to review budgetary requests for Measure AA revenue and an advisory committee to audit the related expenditures.

DISCUSSION: (ADDED VIA SUPPLEMENTAL)
On March 12, 2024, the Board received the Financial Forecast, which assessed the County's fiscal condition for FY 2023-24 and three forecast years (FYs 2024-25 through 2026-27). The County Administrative Office (CAO) staff explained that revenue growth is not sufficient to keep up with the increased cost of doing business.

On March 28, 2024, the County Administrative Officer provided a memorandum with options to enhance the County's financial condition in FY 2024-25 and future fiscal years. On May 7, 2024, the Board directed staff to explore both the sales tax and Transient Occupancy Tax (TOT) to identify options, gather feedback from voters through polling, and bring back a timeline on how and when to move forward.

On May 29, 2024, the information obtained from polling the electorate was presented to the Board, which indicated the County's electorate favored both measures: 61% for a sales tax increase and 63% for a TOT increase. The top voter priorities identified as addressing homelessness and housing affordability, repairing roads, and maintaining critical infrastructure. A summary of the polling results is attached to this report as Exhibit A.

On June 20, 2024, the Board adopted Resolution No. 24-236 calling for an Election to submit to the qualified Electors of the County of Monterey a Measure to raise the Retail Transactions and Use Tax (Sales Tax) in the Unincorporated Area by One Percent. Ordinance No. 5423, adopted by the Board on August 27, 2024, added Chapter 5.38 of the Monterey County Code and noted the tax is for general governmental purposes and consumption in unincorporated Monterey County.
On September 24, 2024, the Board approved and adopted Resolution No. 24-337 supporting FY 2024-25 budget priorities for future discretionary funds made available to use in the unincorporated area of the County:

1) Road Repair and Infrastructure Projects - repair roads and bridges, fix potholes, and address failing public facilities and infrastructure that have exceeded their useful life.
2) Water and Sewer (Wastewater) Infrastructure Projects - make repairs to improve reliability, efficiency, quality, and service for reliable, sustainable, and

safe water.

3) Parks Projects - restoring the recreational features and improving our County parks and lake recreational facilities for enhancing resident and visitorship experience.
4) Essential and Mandated County services, programs, and improvements, including but not limited to strategies to address housing affordability, reduce homelessness, and provide healthcare services for children and vulnerable populations.
5) Emergency Management and Response Services, including disaster response, animal services, and emergency communications.

On November 5, 2024, voters approved Measure AA with 53.33% voting yes.

On January 7, 2025, the Board established an Ad Hoc Committee consisting of Board Members from Supervisorial Districts 2 and 3 to provide recommendations related to the general governmental use of Measure AA revenue in the unincorporated areas of Monterey County.

The CAO's FY 2025-26 Recommended Budget, released in May 2025, used Measure AA funds ($1,873,679) to support services in unincorporated areas of the County.

- Sheriff's patrol staffing ($749,892 for three positions);
- Housing and Community Development services ($936,287);
- Health Department food vendor compliance and animal services ($90,000); and,
- Public Works, Facilities, and Parks temporary staff ($97,500).

At the end of May 2025, during the Budget Hearings, the Board affirmed the services to be funded with Measure AA revenue and expanded the use further ($2,450,117) when the Budget was adopted in June 2025.

- Offsetting a reduction in contribution level from TOT to the Road Fund ($1,673,966);
- Sheriff's three vacant positions restored ($568,528);
- Health Department animal services spay and neuter clinic ($26,780); and
- Hitchcock Road Animal Services county's share of salary and benefits for positions supporting ($180,842).

The total Measure AA revenue used for the FY 2025-26 Adopted Budget were $4,323,796.

The Board is asked to affirm $1,450,000 million for the AXON cameras requested by the Sheriff's Office, $50,000 for the Regenerative California's blue economy and fisheries initiatives, and $50,000 for the Reservoir's AgTech initiatives, in the unincorporated areas of the County.

For further use of Measure AA, the Ad Hoc Committee was asked to bring forward recommendations for the Board's consideration. The Board is asked to review and provide feedback on the proposed funding parameters.

OTHER AGENCY INVOLVEMENT: (ADDED VIA SUPPLEMENTAL)

The County Administrative Office coordinated with the Office of County Counsel on the development of this report. The Ad Hoc Committee provided the proposed recommendations.

FINANCING: (ADDED VIA SUPPLEMENTAL)

There is no impact to the General Fund associated with the recommended actions. HdL estimates that the 1% sales tax could generate approximately $24,000,000 for FY 2025-26. This estimate and recognized revenues can vary annually.

Prepared by: Karina Bokanovich, Management Analyst III
Approved by: Nicholas E. Chiulos, Chief Assistant County Administrative Officer

Attachments:

- Public Opinion Polling Results presented to Board on 5/29/24
- Resolution No. 24-236 - Calling for Election
- Resolution No. 24-337 - FY 2024-25 Budget Priorities
- Ordinance No. 5423

ORDINANCE NO. 5423

AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, ADDING CHAPTER 5.38 TO THE MONTEREY COUNTY CODE TO IMPOSE A TRANSACTIONS AND USE TAX

County Counsel Summary

This ordinance adds Chapter 5.38 to the Monterey County Code to impose a general purpose transactions and use tax. The ordinance sets the transaction tax at 1% of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in the unincorporated area of Monterey County. The ordinance also sets a use tax from any retailer for storage, use or other consumption in unincorporated Monterey County at the rate of 1% of the sales price of the property. The tax is for general governmental purposes and will go into effect only if the tax is approved by a majority of the voters voting on the tax at the November 5, 2024 general election.

The Board of Supervisors of the County of Monterey ordains as follows:

SECTION 1. Findings and Declarations.

A. Pursuant to Article XI, Section 7 of the California Constitution, the County of Monterey ("County") may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its residents.

B. Revenue and Taxation Code section 7285 authorizes a county board of supervisors to levy, increase, or extend a transactions and use tax throughout the entire county or within the unincorporated area of the county for general purposes at a rate of 0.125 percent or a multiple thereof, if the ordinance proposing that tax is approved by a two-thirds vote of all members of the board of supervisors and the tax is approved by a majority vote of the qualified voters of the entire county if levied on the entire county or the unincorporated area of the county if levied on the unincorporated area of the county, voting in an election on the issue.

C. Section 2(b) of Article XIII C of the California Constitution, added by Proposition 218 effective November 1996, requires that the measure proposing a general tax be submitted to the voters at an election consolidated with a regularly scheduled general election for members of the governing body of the local government.

D. The Board of Supervisors has determined it is in the best interest of the County and its residents to submit to the voters a proposed measure authorizing the Board to amend the Monterey County Code to add a 1% transactions and use tax for retail transactions in the unincorporated area of Monterey County at the next regular election on November 5, 2024.

E. The funds collected from the increase in the transactions and use tax will be used to provide funding for essential County services, including but not limited to programs for street maintenance and pothole repair; enhanced public safety, emergency services and disaster response, prevention, and recovery; programs to reduce homelessness; libraries, parks, and recreation facilities; water and sewer infrastructure; healthcare; clean and affordable drinking water and other services.

F. The transactions and use tax will be enacted solely to raise revenue for general governmental purposes of the County and not for purposes of regulation or for raising revenue for regulatory purposes, in that all of the proceeds from the tax shall be placed in the County's general fund and be used for the usual current expenses of the County.

SECTION 2. Chapter 5.38 is added to the Monterey County Code to read as follows:

Chapter 5.38
TRANSACTIONS AND USE TAX

Sections:

5.38.010 Title.
5.38.020 Operative date.
5.38.030 Purpose.
5.38.040 Contract with the State of California.
5.38.050 Transactions tax rate.
5.38.060 Place of sale.
5.38.070 Use tax rate.
5.38.080 Adoption of provisions of State law.
5.38.090 Limitations on adoption of State law and collection of use taxes
5.38.100 Permit not required.
5.38.110 Exemptions and exclusions.
5.38.120 Amendments.
5.38.130 Enjoining collection forbidden.
5.38.140 Severability.

5.38.010 Title.

This ordinance shall be known as the County of Monterey Transactions and Use Tax Ordinance. This ordinance shall be applicable in the unincorporated territory of the County of Monterey, which shall be referred to herein as "County."

5.38.020 Operative date.

"Operative date" means the first day of the first calendar quarter commencing more than 110 days after the electorate approval of the transactions and use tax prescribed in the ordinance codified in this Chapter, the date of such approval being November 5, 2024.

5.38.030 Purpose.

This Chapter is adopted to achieve the following purposes, among others, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285 of Part 1.7 of Division 2 which authorizes the County to adopt the tax ordinance codified in this Chapter based on the electorate's approval of the imposition of the general purpose tax.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State sales and use taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this Chapter.

5.38.040 Contract with State of California.

Prior to the operative date, the County shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the County shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

5.38.050 Transactions tax rate.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the unincorporated territory of the County at the rate of one percent (1%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of the ordinance codified in this Chapter.

5.38.060 Place of sale.

For the purposes of this Chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the State sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

5.38.070 Use tax rate.

An excise tax is hereby imposed on the storage, use or other consumption in the County of tangible personal property purchased from any retailer on and after the operative date of the ordinance codified in this Chapter for storage, use or other consumption in said territory at the rate of one percent (1%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to State sales or use tax regardless of the place to which delivery is made.

5.38.080 Adoption of provisions of State law.

Except as otherwise provided in this Chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Chapter as though fully set forth herein.

5.38.090 Limitations on adoption of State law and collection of use taxes.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this County shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against the County or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Chapter;

3. In those sections, including but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code; or

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the State under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "County" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

1. "A retailer engaged in business in the County" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in California or for delivery in California by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars ($500,000). For purposes of this Section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

5.38.100 Permit not required.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this Chapter.

5.38.110 Exemptions and exclusions.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any State-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which

the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the County which is shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer or his or her agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this subsection, delivery to a point outside the County shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-County and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of the ordinance codified in this Chapter.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of the ordinance codified in this Chapter.

5. For the purposes of subsections (B)(3) and (4) of this Section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this Chapter the storage, use or other consumption in this County of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any State-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of the ordinance codified in this Chapter.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of the ordinance codified in this Chapter.

5. For the purposes of subsections (C)(3) and (4) of this Section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

D. Collection of use tax.

1. Except as provided in subsection (D)(2) of this Section, a retailer engaged in business in the County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the County or through any representative, agent, canvasser, solicitor, subsidiary, or person in the County under the authority of the retailer.

2. "A retailer engaged in business in the County" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the County.

E. Any person subject to use tax under this Chapter may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district or retailer in a district imposing a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code

with respect to the sale to that person of the property, the storage, use or other consumption of which is subject to the use tax.

5.38.120 Amendments.

All amendments subsequent to the effective date of the ordinance codified in this Chapter to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this chapter; provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Chapter.

5.38.130 Enjoining collection forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the County, or against any officer of the State or the County, to prevent or enjoin the collection under this chapter, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

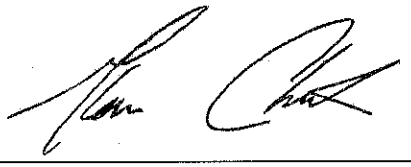
5.38.140 Severability.

If any provision of this Chapter or the application thereof to any person or circumstance is held invalid, the remainder of this chapter and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 3. EFFECTIVE DATE. This ordinance relates to the levying and collecting of the County of Monterey's transactions and use taxes and shall take effect if approved by a majority of the voters voting on the tax at the November 5, 2024 general election.

PASSED AND ADOPTED on this 27th day of August 2024 by the following vote:

AYES	Supervisors Alejo, Church, Lopez, Root Askew, and Adams
NOES	None
ABSENT	None
ASTAIN	None



Glenn Church, Chair
Monterey County Board of Supervisors

ATTEST

VALERIE RALPH
Clerk of the Board of Supervisors

By: Emmanuel H. Santos
Deputy

APPROVED AS TO FORM:

Kelly L. Donlon

KELLY L. DONLON
Assistant County Counsel

Before the Board of Supervisors
County of Monterey, State of California

Resolution No. 24-236 Approving and adopting	**) RESOLUTION CALLING FOR AN ELECTION FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE COUNTY OF MONTEREY A MEASURE TO RAISE THE RETAIL TRANSACTIONS AND USE TAX (SALES TAX) IN THE UNINCORPORATED AREA BY ONE PERCENT; DIRECTING THE COUNTY ELECTIONS OFFICIAL TO CONDUCT THE ELECTION; AND DIRECTING CONSOLIDATION OF THE ELECTION WITH THE REGULAR ELECTION OF NOVEMBER 5, 2024 (4/5 VOTE REQUIRED)**

WHEREAS, the Board of Supervisors has determined it is in the best interest of the County of Monterey and its residents to submit to the voters a proposed measure authorizing the Board to amend the County of Monterey Code to increase by one percent the Transactions and Use Tax ("Sales Tax") for retail transactions in the unincorporated area of the County of Monterey ("County"); and

WHEREAS, the funds collected from the increase in the Sales Tax will be used to provide funding for critical County services, including but not limited to street maintenance and pothole repair; enhanced public safety, emergency services and disaster response, prevention, and recovery; programs to reduce homelessness; libraries, parks, and recreation facilities; water and sewer infrastructure maintenance; healthcare; job skill development programs; clean and affordable drinking water; and

WHEREAS, the increase to the Sales Tax will be enacted solely to raise revenue for general governmental purposes of the County and not for purposes of regulation or for raising revenue for regulatory purposes, in that all of the proceeds from the tax shall be placed in the County's General Fund and be used for the usual current expenses of the County; and

WHEREAS, subdivision (b) of section 2 of Article XIII C of the California Constitution and section 53723 of the California Government Code require that before the County may impose a general tax, the tax must be submitted to the voters and approved by a majority vote of the voters; and

WHEREAS, subdivision (b) of section 2 of Article XIII C of the California Constitution mandates that an election required by that subdivision be consolidated with a regularly scheduled general election for members of the governing body of the local government, subject to specific exceptions not relevant here; and

WHEREAS, if approved by a majority of voters, the proposed increase to the Sales Tax would be accomplished by adoption of an ordinance to add a Chapter to the County of Monterey Code; and

WHEREAS, pursuant to California Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

WHEREAS, pursuant to California Elections Code Section 1000 *et seq.*, various district, county, State, and other political subdivision elections shall be held on November 5, 2024, an established regular election date.

NOW, THEREFORE, **IT IS HEREBY RESOLVED AND ORDERED** by the Board of Supervisors as follows:

1) A County election is hereby called to be held throughout unincorporated Monterey County on the regular election date of November 5, 2024, for the purpose of submitting to the qualified electors of unincorporated Monterey County the following measure:

Measure _____

To fund critical County of Monterey services, including street maintenance and pothole repair; enhanced public safety, emergency services and disaster response, prevention, and recovery; programs to reduce homelessness; libraries, parks, and recreation facilities; water and sewer infrastructure; healthcare; clean and affordable drinking water and other services; shall the County of Monterey's transaction and use tax be increased in unincorporated areas by 1%, providing approximately $29,000,000 annually, to be spent locally only, until ended by voters?

YES ____ NO _____

2) Said County election shall be held and conducted, the votes received and canvassed, the returns thereof made, and the result thereof ascertained and determined in accordance with the law, including but not limited to the provisions of Section 10418 of the Elections Code.

3) Said County election hereby called shall be and hereby is consolidated with any and all elections also called to be held throughout the County on November 5, 2024, in all respects as required by and pursuant to law, including but not limited to the provisions of Section 10418 of the Elections Code.

4) In accordance with the provisions of Section 9160 of the Elections Code, the County Counsel is hereby directed to prepare an impartial analysis of this measure.

5) In accordance with the provisions of Section 9160 of the Elections Code, the County Auditor-Controller and Treasurer-Tax Collector are hereby directed to prepare a fiscal impact statement of this measure.

6) Arguments for and against this measure may be submitted in conformance with Elections Code Section 9161, *et seq.*

7) The Clerk of the Board of Supervisors shall file a copy of this Resolution with the County Clerk.

BE IT FURTHER RESOLVED AND ORDERED THAT the County of Monterey Elections Department is requested to print the proposed ordinance attached hereto as Attachment A in the County Voter Information Guide for the November 5, 2024, election date.

PASSED AND ADOPTED on this 20th day of June 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

Motion passed 4 to 1

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting on June 20, 2024.

Dated: June 27, 2024
File ID: RES 24-125
Agenda Item No. 4

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

ATTACHMENT A

AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, ADDING CHAPTER 5.38 TO THE COUNTY OF MONTEREY CODE TO IMPOSE A TRANSACTIONS AND USE TAX

The Board of Supervisors of the County of Monterey ordains as follows:

SECTION 1. Findings and Declarations.

A. Pursuant to Article XI, Section 7 of the California Constitution, the County of Monterey ("County") may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its residents.

B. Revenue and Taxation Code section 7285 authorizes a county board of supervisors to levy, increase, or extend a transactions and use tax throughout the entire county or within the unincorporated area of the county for general purposes at a rate of 0.125 percent or a multiple thereof, if the ordinance proposing that tax is approved by a two-thirds vote of all members of the board of supervisors and the tax is approved by a majority vote of the qualified voters of the entire county if levied on the entire county or the unincorporated area of the county if levied on the unincorporated area of the county, voting in an election on the issue.

C. Section 2(b) of Article XIII C of the California Constitution, added by Proposition 218 effective November 1996, requires that the measure proposing a general tax be submitted to the voters at an election consolidated with a regularly scheduled general election for members of the governing body of the local government.

D. The Board of Supervisors has determined it is in the best interest of the County and its residents to submit to the voters a proposed measure authorizing the Board to amend the County of Monterey Code to add a 1% transactions and use tax for retail transactions in the unincorporated area of County of Monterey at the next regular election on November 5, 2024.

E. The funds collected from the increase in the transactions and use tax will be used to provide funding for essential County services, including but not limited to programs for street maintenance and pothole repair; enhanced public safety, emergency services and disaster response, prevention, and recovery; programs to reduce homelessness; libraries, parks, and recreation facilities; water and sewer infrastructure; healthcare; clean and affordable drinking water and other services.

F. The transactions and use tax will be enacted solely to raise revenue for general governmental purposes of the County and not for purposes of regulation or for raising revenue for regulatory purposes, in that all of the proceeds from the tax shall be placed in the County's general fund and be used for the usual current expenses of the County.

SECTION 2. Chapter 5.38 is added to the County of Monterey Code to read as follows:

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5.38.140 Severability.

5.38.010 Title.

This ordinance shall be known as the County of Monterey Transactions and Use Tax Ordinance. This ordinance shall be applicable in the unincorporated territory of the County of Monterey, which shall be referred to herein as "County."

5.38.020 Operative date.

"Operative date" means the first day of the first calendar quarter commencing more than 110 days after the electorate approval of the transactions and use tax prescribed in the ordinance codified in this Chapter, the date of such approval being November 5, 2024.

5.38.030 Purpose.

This Chapter is adopted to achieve the following purposes, among others, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285 of Part 1.7 of Division 2 which authorizes the County to adopt the tax ordinance codified in this Chapter based on the electorate's approval of the imposition of the general purpose tax.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State sales and use taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this Chapter.

5.38.040 Contract with State of California.

Prior to the operative date, the County shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the County shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

5.38.050 Transactions tax rate.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the unincorporated territory of the County at the rate of one percent (1%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of the ordinance codified in this Chapter.

5.38.060 Place of sale.

For the purposes of this Chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the State sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

5.38.070 Use tax rate.

An excise tax is hereby imposed on the storage, use or other consumption in the County of tangible personal property purchased from any retailer on and after the operative date of the

ordinance codified in this Chapter for storage, use or other consumption in said territory at the rate of one percent (1%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to State sales or use tax regardless of the place to which delivery is made.

5.38.080 Adoption of provisions of State law.

Except as otherwise provided in this Chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Chapter as though fully set forth herein.

5.38.090 Limitations on adoption of State law and collection of use taxes.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this County shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against the County or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Chapter;

3. In those sections, including but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code; or

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the State under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "County" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

1. "A retailer engaged in business in the County" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in California or for delivery in California by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars ($500,000). For purposes of this Section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

5.38.100 Permit not required.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this Chapter.

5.38.110 Exemptions and exclusions.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any State-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the County which is shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer or his or her agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this subsection, delivery to a point outside the County shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-County and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of the ordinance codified in this Chapter.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of the ordinance codified in this Chapter.

5. For the purposes of subsections (B)(3) and (4) of this Section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this Chapter the storage, use or other consumption in this County of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any State-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of the ordinance codified in this Chapter.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of the ordinance codified in this Chapter.

5. For the purposes of subsections (C)(3) and (4) of this Section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

D. Collection of use tax.

1. Except as provided in subsection (D)(2) of this Section, a retailer engaged in business in the County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property, including but not

limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the County or through any representative, agent, canvasser, solicitor, subsidiary, or person in the County under the authority of the retailer.

2. "A retailer engaged in business in the County" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the County.

E. Any person subject to use tax under this Chapter may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district or retailer in a district imposing a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to that person of the property, the storage, use or other consumption of which is subject to the use tax.

5.38.120 Amendments.

All amendments subsequent to the effective date of the ordinance codified in this Chapter to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this chapter; provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Chapter.

5.38.130 Enjoining collection forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the County, or against any officer of the State or the County, to prevent or enjoin the collection under this chapter, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

5.38.140 Severability.

If any provision of this Chapter or the application thereof to any person or circumstance is held invalid, the remainder of this chapter and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 3. EFFECTIVE DATE. This ordinance relates to the levying and collecting of the County's transactions and use taxes and shall take effect if approved by a majority of the voters voting on the tax at the November 5, 2024 election.

Before the Board of Supervisors
County of Monterey, State of California

Resolution No. 24-337

Approving and adopting resolution supporting budget priorities for future discretionary funds made available to use in the unincorporated area of the County of Monterey.	))))

WHEREAS, the County of Monterey (County) provides critical services and facilities for residents and visitors, including but not limited to street maintenance, pothole repair and road improvements, road and alternative transportation networks; water and sewer infrastructure maintenance; clean and affordable drinking water; programs to reduce homelessness; enhanced public safety, emergency services and disaster response, prevention, and recovery; libraries, parks, and recreation facilities; healthcare; job skill development programs and other services; and,

WHEREAS, on May 14, 2024, the County Board of Supervisors approved five strategic goals focused on Well Being and Quality of Life; Sustainable Infrastructure Now and in the Future; Safe and Resilient Communities; Diverse and Thriving Economy; and Dynamic Organization and Employer of Choice, with housing objectives focused on meeting the housing needs of residents and workforce, combating housing discrimination, efficient use of land, and implementing a meaningfully inclusive process; and

WHEREAS, while the County of Monterey is a beautiful place to call home, the County faces a variety of difficult challenges, including an inflated housing market that has profound impacts on local families and individuals, as well as local employers' abilities to attract and retain a highly qualified workforce as there is a shortage of homes for working families; and,

WHEREAS, the County's pavement condition index is well below statewide averages; the unincorporated area public roads maintained by the County and the County's facilities and parks need improvements and upgrades; and episodic winter storm damages, repairs, and disaster recovery services continue to deplete County resources; and,

WHEREAS, the County's critical unincorporated water and sewer system infrastructure is aged, has been impacted by flood and other disasters, and necessitating improvements and/or upgrades; and,

WHEREAS, the County anticipates future available funding from state, federal and non-profit grants and increases in sales and transient occupancy taxes which may be placed in the County's general fund and be used for the usual current expenses of the County.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Monterey endorses FY 2024-25 budget priorities in the County's unincorporated areas as follows:

1) Road Repair and Infrastructure Projects – repair roads and bridges, fix potholes, and address failing public facilities and infrastructure that have exceeded their useful life.

2) Water and Sewer (Wastewater) Infrastructure Projects – make repairs to improve reliability, improve efficiency, quality, and service for reliable, sustainable and safe water.

3) Parks Projects – restoring the recreational features and improve our County parks and lake recreational facilities for enhancing resident visitorship experience.

4) Essential and Mandated County services, programs, and improvements, including but not limited to strategies to address housing affordability, reduce homelessness, and provide healthcare services for children and vulnerable populations.

5) Emergency Management and Response Services including disaster response, animal services and emergency communications.

PASSED AND ADOPTED on this 24th day of September 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting on September 24, 2024.

Revised Date: September 27, 2024
File ID: RES 24-169
Agenda Item No. 19

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

EMC research

Likely Voter Survey
Summary Report
County of Monterey

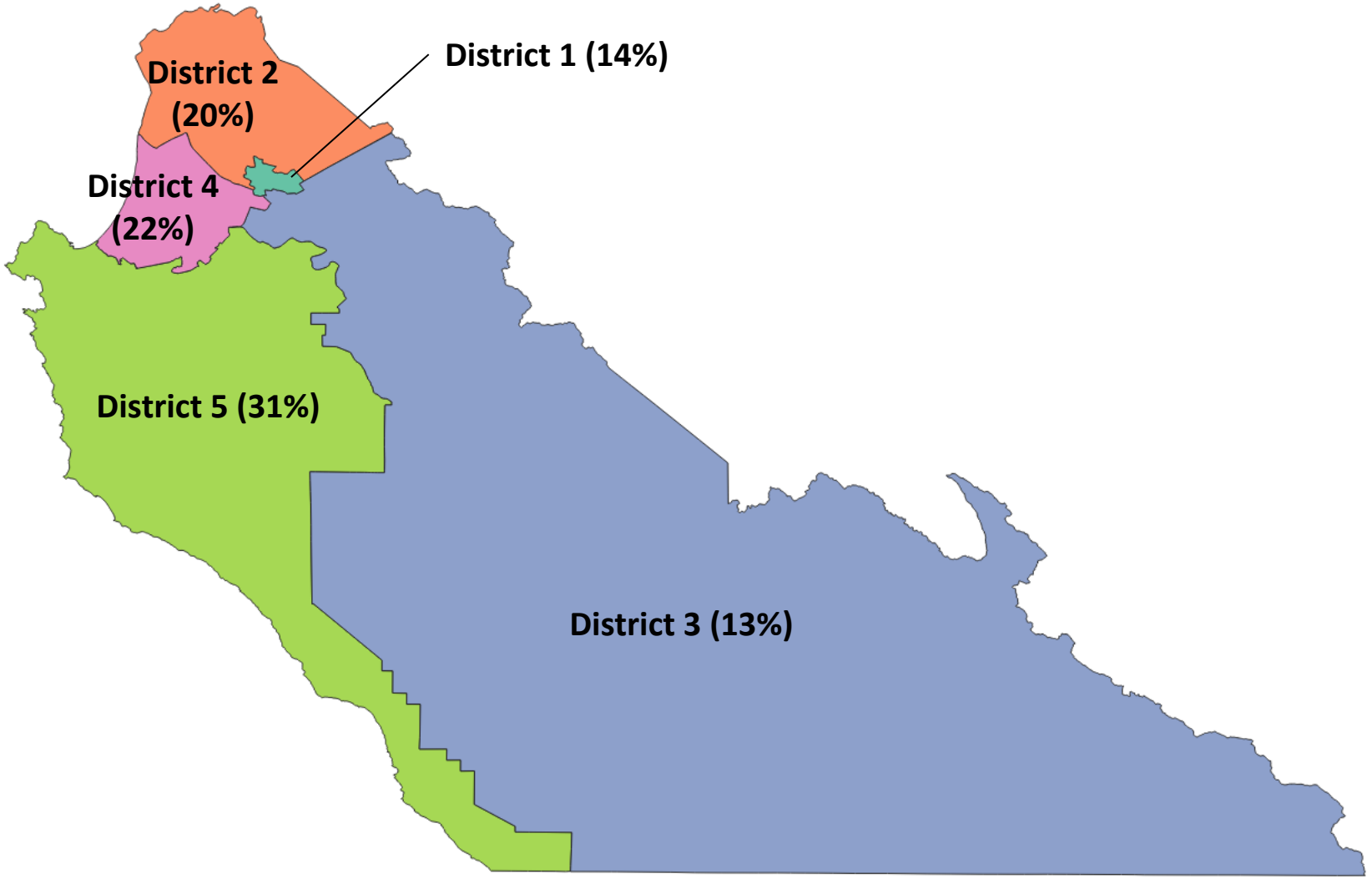
May 2024

Methodology

- Live telephone and email-to/text-to-web survey of likely November 2024 voters
- Survey conducted May 16 – 23, 2024
- 600 interviews; overall margin of error ±4.0 percentage points
  - Split Sample, 300n interviews in each split, MoE ±5.65 percentage points
  - Incorporated Sample, 405n interviews total, MoE ±4.86 percentage points
  - Unincorporated Sample, 195n interviews total, MoE ±7.01 percentage points
- Interviews were conducted in English and Spanish by trained, professional interviewers; landlines and mobile phones included
  - Email and text invitations were sent with a link to an online survey

Please note that due to rounding, some percentages may not add up to exactly 100%.

Monterey County Supervisorial Districts



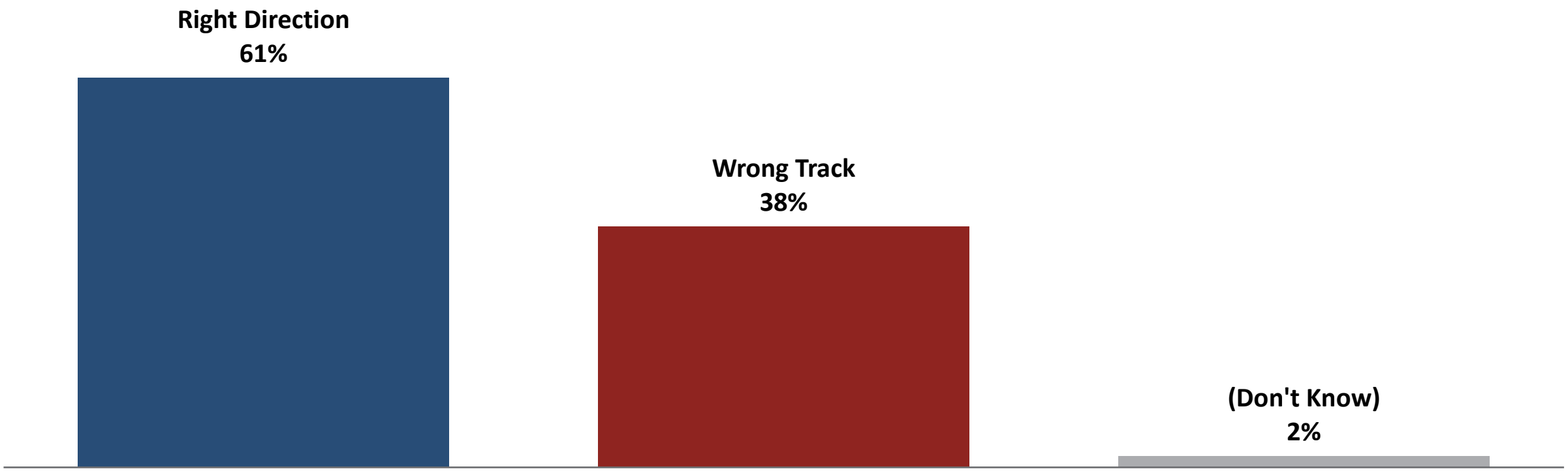
Key Findings

- Currently, both a sales tax measure and a transient occupancy tax increase (TOT) are supported by about six in ten voters in the county, comfortably above the required majority threshold for passage.
- Additional information about what additional revenues could fund, and who would be paying, generates much more positive impact for a TOT than for a sales tax.
- Housing affordability and homelessness are the highest-profile issues for county voters, and they are highly aware of the county's need for funding to address these and other issues.
  - They are also interested in maintaining water and sewer infrastructure, street maintenance and pothole repair, healthcare, and public safety/emergency services.
- While voters are interested in the county programs and services a measure could fund, there is also a fair amount of general sensitivity to taxes and an interest in making sure the county is held accountable for tax dollars.
- Both measures show some vulnerability to general anti-tax opposition messaging, although the ability present the TOT as being paid by tourists and not by residents is a very strong differentiator and likely makes it more resilient in the face of potential opposition.

Issue Environment

Right Direction/Wrong Track

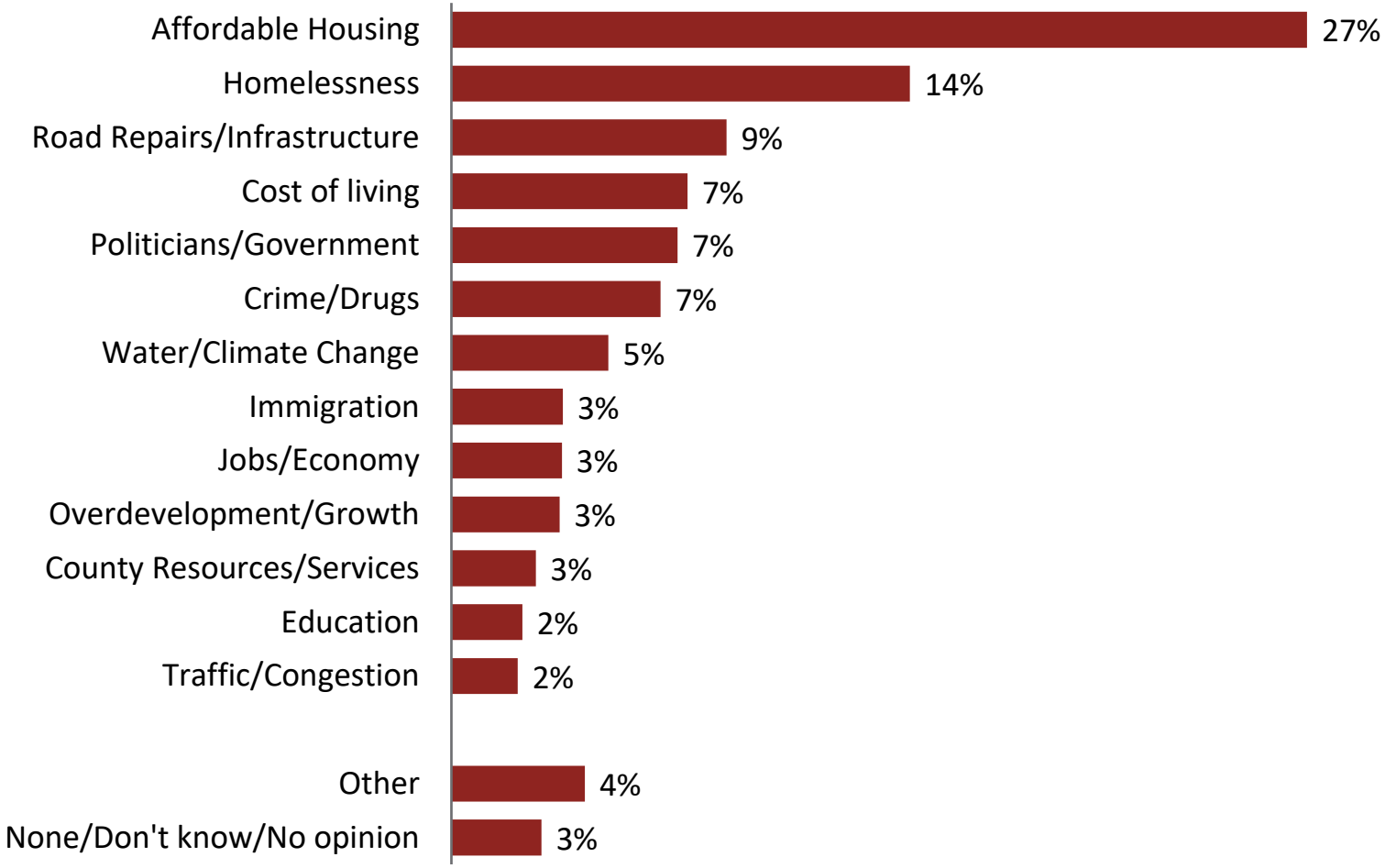
Six in ten voters say things in the county are headed in the right direction.



Q2. Do you think that things in Monterey County are generally going in the right direction or do you feel things have gotten pretty seriously off on the wrong track?

Most Important Problem

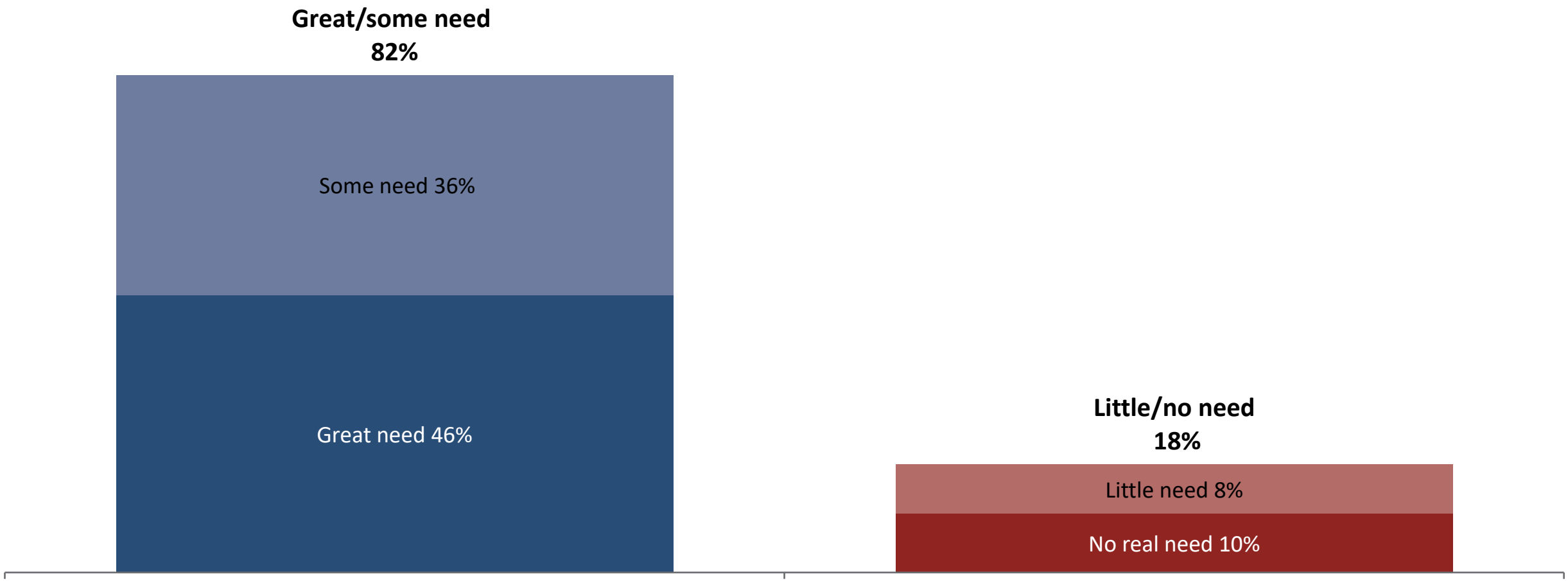
Housing affordability and homelessness are the top issues for many Monterey County voters.



Q3. What do you think is the most important problem facing the County of Monterey today? (Multiple responses accepted)

Need for Funds for County Services

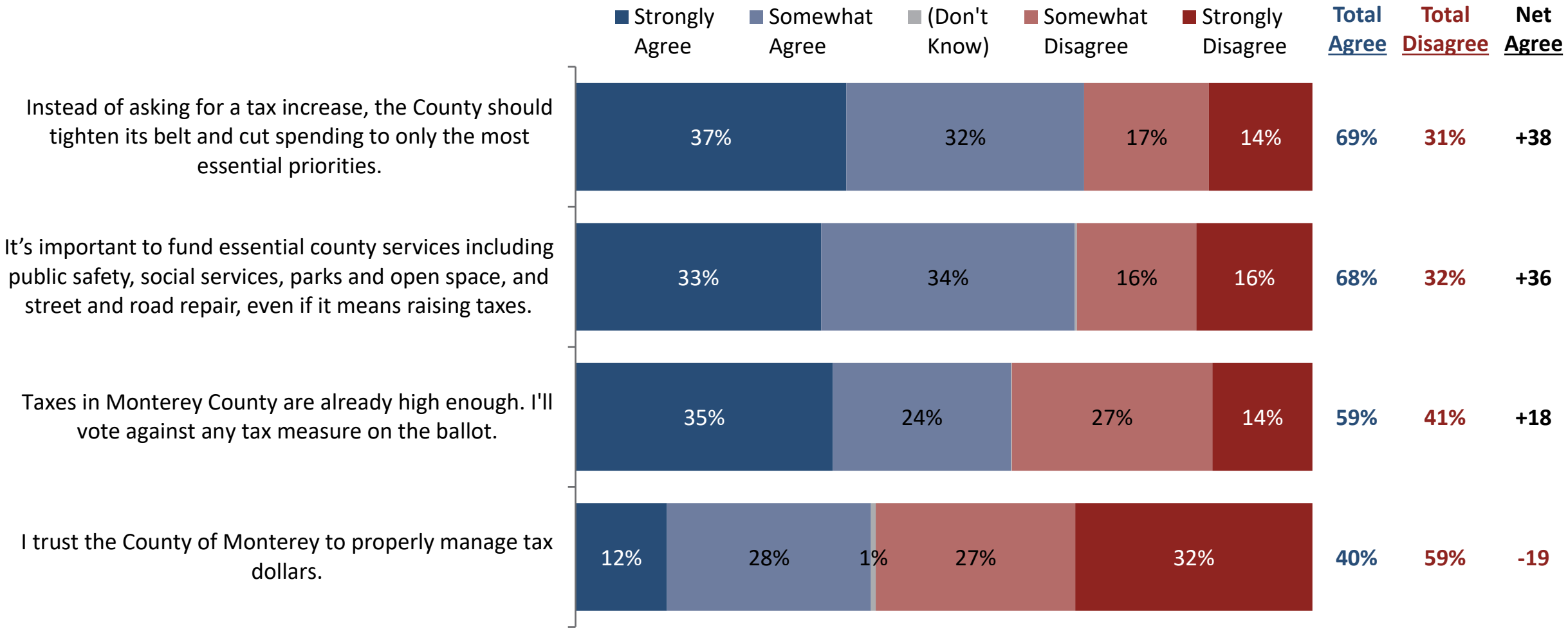
A strong majority feel the county has a need for more money for county services, including nearly half of voters who say the county has a great need.



Q4. Would you say that the County of Monterey has [a great need, some need, little need, or no real need for more money] for county services including public safety, social services, parks and open space, and street and road repair?

Tax Sensitivity and Trust

While most voters would like to see the county cut spending to only essentials and are generally opposed to taxes, six in ten feel funding essential services could be worth a tax increase.



Q21-24. Please tell me whether you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each of the following statements.

Revenue Measure Feasibility

Initial Vote: Revenue Measure

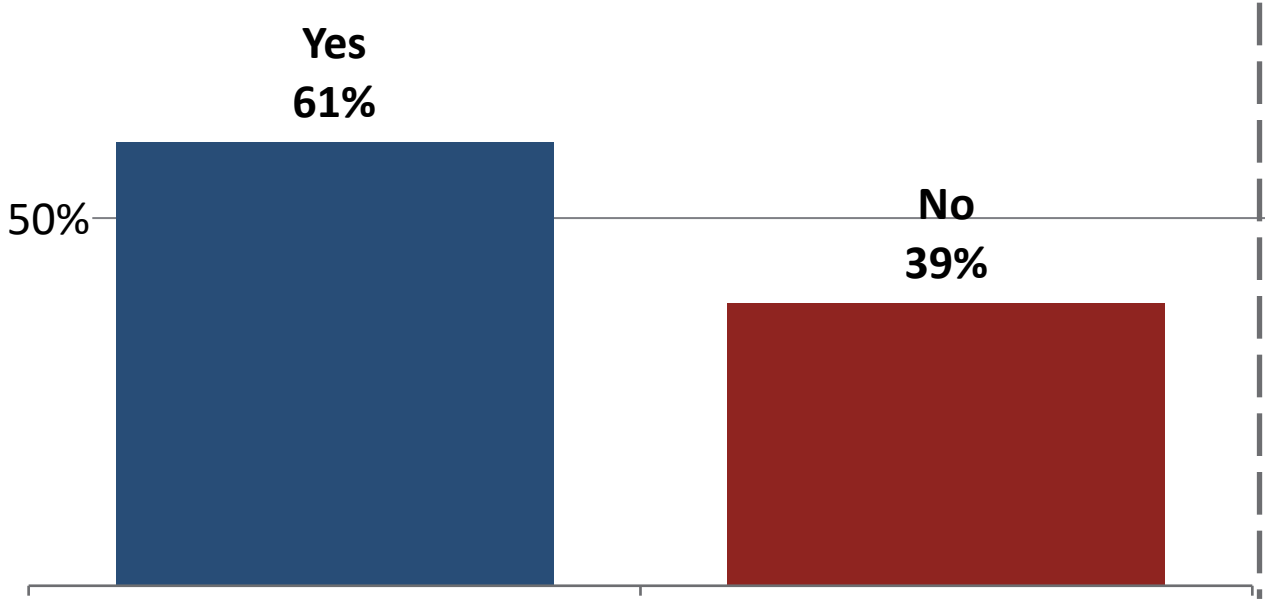
Both revenue measures under consideration are supported by a majority of Monterey County voters in independent asks.

To fund essential County of Monterey services, including improved public safety and emergency services; traffic enforcement and road safety programs; street maintenance and pothole repair; libraries, county parks, and recreation facilities; water and sewer infrastructure maintenance; public health and healthcare; job skill development programs; and programs to reduce homelessness,…

300n, MoE ±5.7%

Split A: Sales Tax

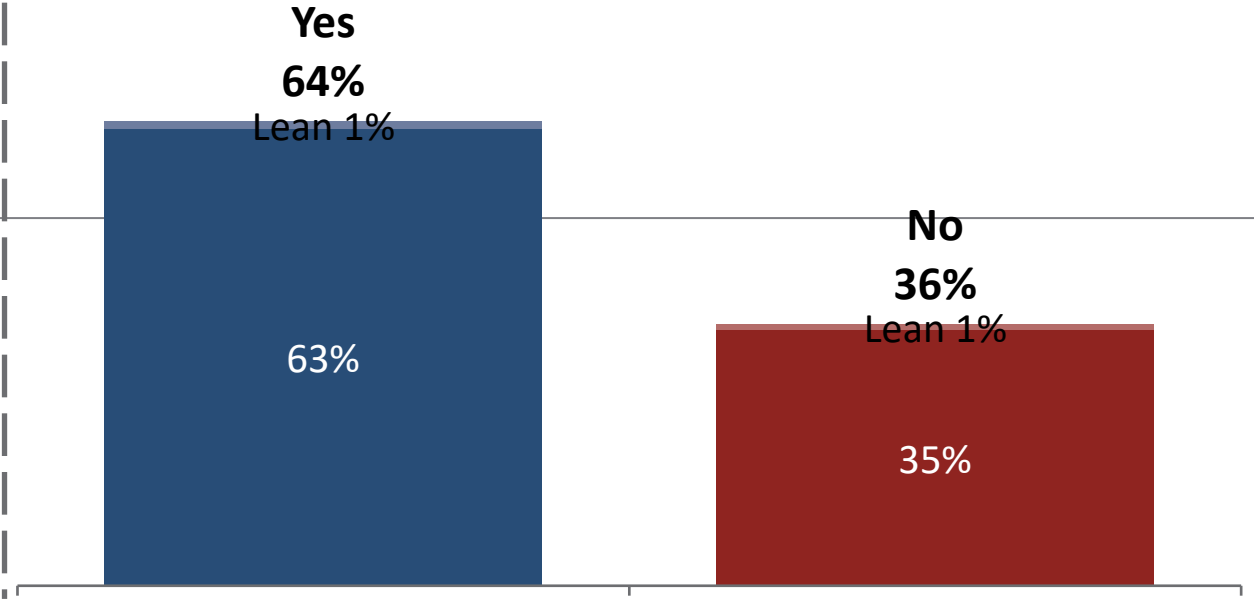
…shall the County of Monterey's **transaction and use tax be increased** in unincorporated areas by one percent, providing approximately **$29,000,000 annually**, with all funds spent locally, until ended by voters?



300n, MoE ±5.7%

Split B: Transient Occupancy Tax

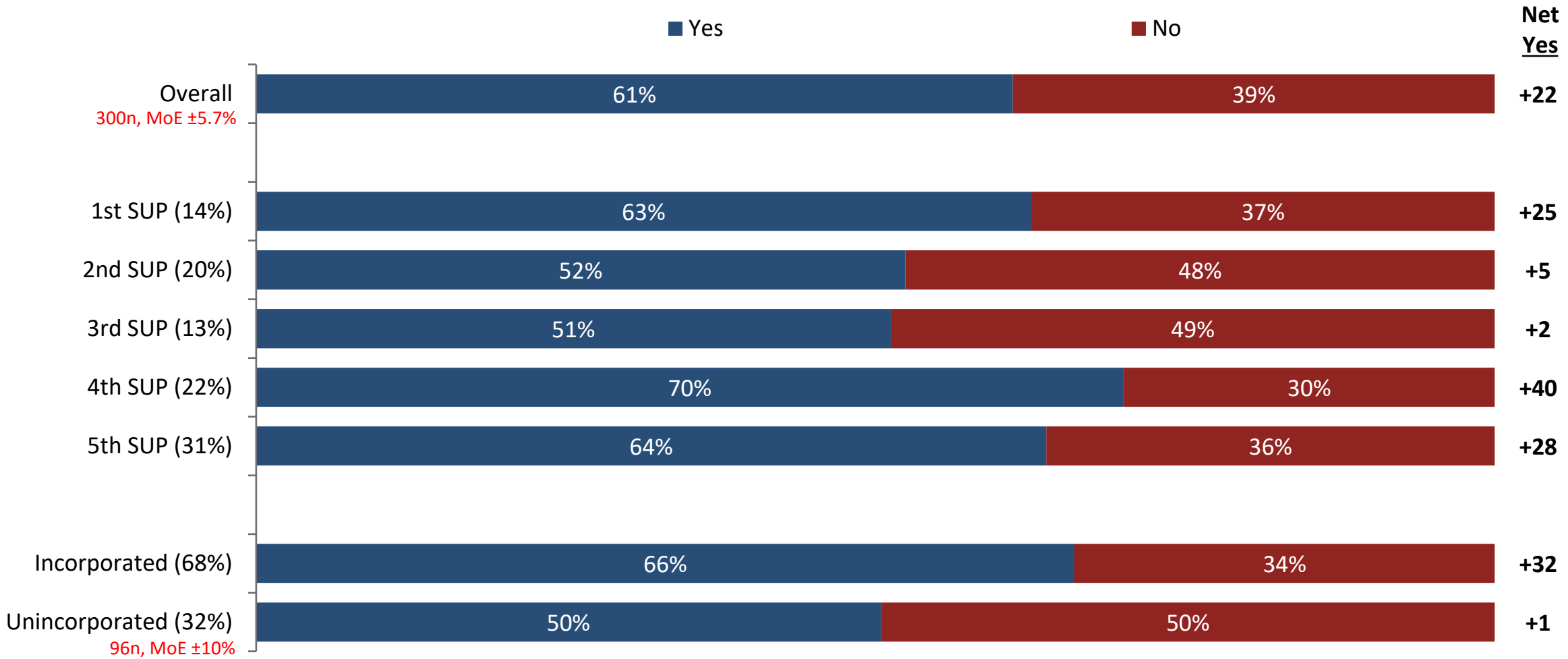
…shall the County of Monterey **increase its existing Transient Occupancy Tax** in unincorporated areas from 10.5% to 11.5%, paid only by hotel/lodging guests, providing approximately **$3,700,000 annually**, until ended by voters?



Q5/6. If the election were held today, would you vote yes to approve or no to reject this measure?

Initial Vote by Subgroups (Split A: Sales Tax)

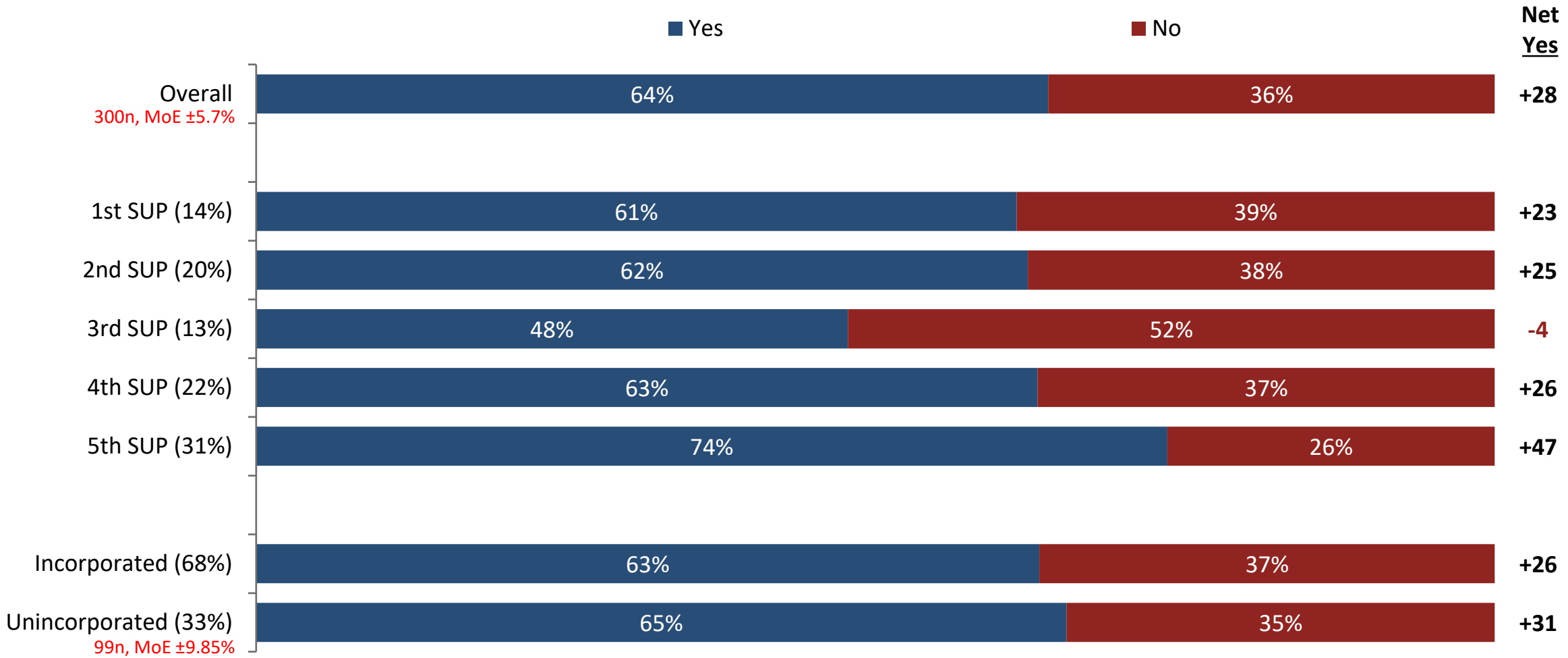
Support for a sales tax measure is stronger in Supervisorial Districts 1, 4, and 5, as well as the incorporated parts of the county.



Q5. If the election were held today, would you vote yes to approve or no to reject this measure?

Initial Vote by Subgroups (Split B: TOT)

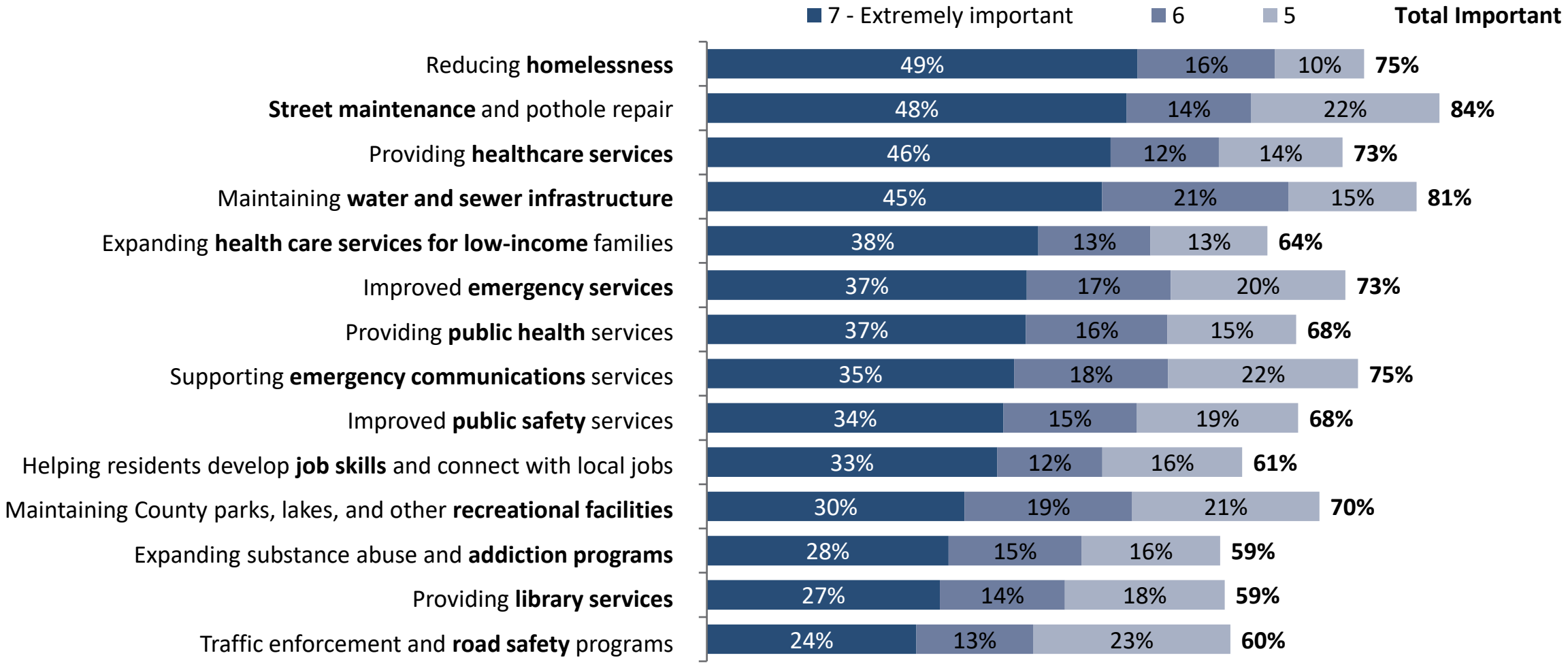
Support for the transient occupancy tax increase is higher in the 5th Supervisorial District, and under the majority mark in District 3.



Q6. If the election were held today, would you vote yes to approve or no to reject this measure?

Project Importance

While a majority of voters say all categories are important, homelessness reduction, infrastructure maintenance, and healthcare services are the most important priorities for county voters.



Q7-20. Now you will be asked about a list of projects and programs that this ballot measure could support. After each one, please rate how important that project is to you.

Simulating the Communications Environment

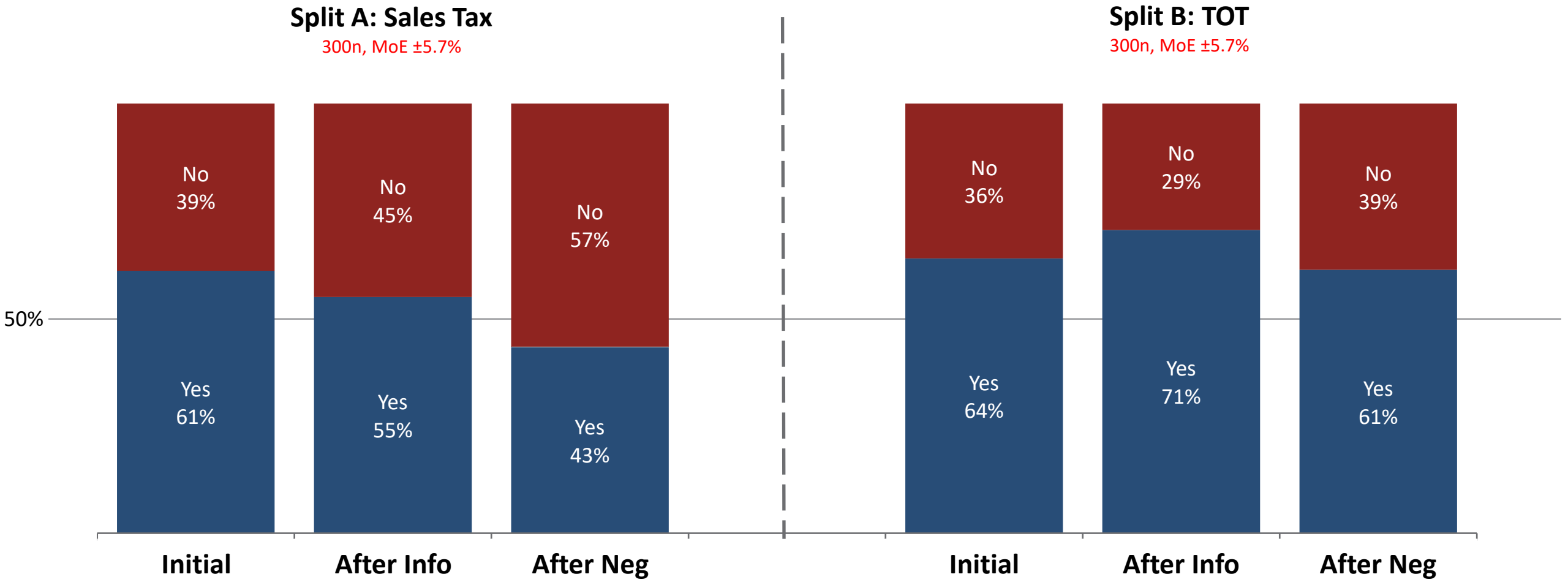
Additional information was provided to respondents to simulate the impact of the potential future communications environment. Respondents were asked to give their support or opposition to the measure after each section. A summary of the information given is provided here.

Part 1: Additional information about a measure, including who would pay under each revenue mechanism, major expenditure categories, potential cuts without additional revenue, and accountability components

Part 2: Potential opposition themes, including vulnerability of the general tax mechanism, cost of living and economic uncertainty, and concerns about impacting tourism

Vote After Communications Environment Simulation

Additional information does impact support for each measure, with the sales tax showing considerably more vulnerability than the TOT measure.



Q5/36/37/6/38/39.

Conclusions

- Either a 1 percent sales tax measure in the unincorporated areas, or a 1 percent increase in the transient occupancy tax in the unincorporated areas, are currently supported by more than half of Monterey County voters.
- Positioning a transient occupancy tax measure as exclusively paid by visitors to the county helps to solidify and maintain that support, even with opposition.
- For a sales tax, while discussion of visitors paying their fair share is also a strong message, that positioning is not as effective of a way to bolster and maintain support in the face of opposition.
- If the County does decide to place a measure on the ballot, the potential benefits of addressing homelessness and housing affordability, repairing roads, and maintaining critical infrastructure are top priorities for voters.
- It will also be important to ensure voters are aware of the accountability controls built into a measure to ease their minds about how the funds may be used.

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County of Monterey

Board Report

Legistar File Number: RES 25-132

Item No.13

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/18/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Resolution

PLN240077 - SIGNAL HILL LLC
Continued from July 8, 2025 - Public hearing to consider three appeals, one by Samuel Reeves, one by the Alliance of Monterey Area Preservationists (AMAP), and one by Massy Mehdipour, the applicant, from the April 30, 2025 Planning Commission decision approving the construction of an approximately 8,290 square foot two-story single family dwelling with an attached three car garage with light brown stucco exterior, black metal clad wood accents, and a gravel roof, an approximately 180 square foot stairwell, and approximately 695 square feet of terrace (identified as the "Reduced Project," Alternative 6 in the Final EIR) and the relocation of three Monterey Cypress trees.

Project Location: 1170 Signal Hill Road, Pebble Beach, Del Monte Forest Area Land Use Plan, Coastal Zone
Proposed CEQA Action: Consider a previously certified Final Environmental Impact Report (FEIR) (SCH#2015021054) for the Signal Hill LLC project and find the project consistent with the FEIR.

RECOMMENDATION:
Staff recommends that the Board of Supervisors adopt a resolution (Attachment B) to:
a) Partially uphold the appeals by Samuel Reeves and AMAP, from the April 30, 2025 Planning Commission decision approving the Design Approval;
b) Uphold the appeal by Massy Mehdipour, Applicant, from the April 30, 2025 Planning Commission decision approving the Design Approval with Condition No. 10;
c) Consider the previously certified Final Environmental Impact Report (FEIR) (SCH#2015021054) for the Signal Hill LLC project, and find that the Proposed Project does not warrant an addendum pursuant to CEQA Guidelines section 15162; and
d) Approve the Project as revised and as presented in Attachment B:
1) Granting a Design Approval for construction of an approximately 7,690 square foot two-story single-family dwelling inclusive of a two-car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof that fulfills the requirements of the "Reduced Project," Alternative 6 of the FEIR;
2) Approving a Coastal Development Permit to allow the relocation of two Cypress trees;
3) Approving a variance for structural development in the front setback; and
4) Amending Condition No. 23 of Resolution No. 23-237 to increase the conservation and scenic easement for the project to a 1.67-acre area.

A separate resolution (**Attachment A**) has been prepared as directed by the Board of Supervisors at the July 8, 2025 hearing on this matter. The resolution attached as Attachment A would partially uphold the Reeves and AMAP appeals, uphold the Mehdipour appeal, and require the applicant to redesign to be more similar in size to the Connell House.

PROJECT INFORMATION:
Property Owner: Massy Mehdipour
Agent: None
APN: 008-261-007-000
Zoning: Low Density Residential, 1.5 acres per unit with Design Control Overlay (Coastal Zone)
Flagged and Staked: Yes

SUMMARY:
On July 8, 2025, the Board of Supervisors considered three appeals of the Planning Commission's decision on the new house design and continued the item to August 26, 2025. Staff was asked to return with a resolution that reiterates the Board's prior direction from 2023 (Board of Supervisors Resolution No. 23-237). At the July 8, 2025 hearing, comments surrounding the motion clarified that that the expectation was that the new house be of a similar size and height to the Connell House. The proposal considered on July 8, 2025 was much larger than the Connell house by floor area, height, and it was not entirely within the footprint of the Connell House. Specific direction to Applicant included:

- Reduce square footage to align more closely to the Connell House floor area of approximately 4,125 square feet, rather than the original Signal Hill project (Proposed Project of the EIR);
- Reduce height to 22 feet above average natural grade, and
- Eliminate development that extends beyond the hardscape of the former Connell house, including 2nd floor terraces over sand dune areas.

Pursuant to Board direction, staff has prepared a draft Resolution (**Attachment A**), which partially upholds the Reeves and AMAP appeals, upholds the Mehdipour appeal, and requires the applicant to return to the Board with a redesign to meet the direction described above.

After the July 8, 2025 Board hearing, the applicant submitted a revised design with a request that this revised design be considered by the Board as an alternative to the motion of intent approved on July 8 (described above). The revised design eliminates portions of the prior proposal that were not within the footprint of the Connell House and slightly reduces the size of the new home. The new design is within the footprint of the former Connell House. The floor area of the proposed two-story structure is proposed at 7,690 square feet, reduced from the 8,290 square feet considered on July 8, but still larger than the Connell House. The proposed maximum height remains 25.5 feet, which is the same as the prior design but is approximately 3.5 feet taller than the Connell House.

Staff is recommending approval of the revised design based on an understanding of the Board Direction that the new house comply with the description of Alternative 6 of the Environmental Impact Report (EIR) prepared for the project. Alternative 6 was the "Reduced Project

Alternative" that the EIR described as allowing the demolition of the Connell House and new construction of a house that would stay within the developed footprint of the demolished house and be reduced in height to avoid "ridgeline development." The alternative also included restoration of 1.67 acres of the site to native due habitat. The redesigned project is within the footprint of the Connell House and proposed at a height that avoids ridgeline development (**Attachment B**).

Given the way that the 2023 decision was worded, and comments made at the July 8, 2025 Board hearing, it is clear there was an expectation that the new house footprint, height, and size would be compared with the footprint, height and size of the Connell House. This expectation makes sense in the context of the 2023 Board Direction which was heavily focused on the demolition of the historic Connell House and given that the decision mentions both "Alternative 6 of the EIR" and "construction *of a new single-family residence of similar size, in concept, as the existing residence*." Although the new design is within the footprint and below the ridgeline height, the revised design is still taller and larger than the Connell House. For this reason, staff has included some reference to the proposed redesign in the Disapproval Resolution, Attachment A.

DISCUSSION:
The staff report prepared for the July 8, 2025 hearing provides much of the background and analysis. This staff report does not reiterate all the information previously provided and instead refers to that staff report except as updated and modified to reflect the Board direction at the July 8, 2025 hearing and the revised design submitted by the applicant between July 8 and August 26, 2025.

Board Direction:
The design that was reviewed in the July 8, 2025 Board hearing was for an 8,290 square foot, two-story single family dwelling that was 25.5 feet tall (at the tallest points). The proposed design was not entirely within the previous footprint of the Connell House. At that hearing, the Applicant asked that the Board allow an area of the footprint to be left undeveloped (the rear/northwest corner of the Connell House) in exchange for adding area in the front of the house that fills in the former courtyard of the U-shaped Connell House footprint. The height and footprint are both key issues of the appeals from AMAP and Reeves. After reviewing the proposed design, the Board directed staff to prepare a resolution reiterating the 2023 decision.

The Board decision in June of 2023 (Resolution No. 23-237 (**Attachment G**) stated, in relevant part:
"4) *Approve a Coastal Development Permit for the "Reduced Project" (Alternative 6 of the Final EIR) consisting of:*
a) Coastal Administrative Permit to allow the demolition of an existing 4,124 square foot single family residence;
b) Coastal Administrative Permit for the construction of a new single-family residence of similar size, in concept, as the existing residence;
c) Coastal Development Permit to allow development within 100 feet of environmentally sensitive habitat;
d) Coastal Development Permit for development on slopes exceeding 30 percent;
e) Coastal Development Permit for development within 750 feet of a known archaeological

resources;"

The description of Alternative 6 of the EIR describes a new residence that is in the "footprint" of the former Connell House and at a height that does not result in "ridgeline development." Subjection b of the action describes "construction of a new single-family residence of a similar size as the existing residence."

The Applicant is requesting that the Board focus on the description of Alternative 6 in the EIR and the statements made in the hearing about the "footprint" and "ridgeline." In contrast, the Appellants have pointed to the language about the new residence being of a similar size as the existing home. The July 8, 2025 Board Direction recognized that the design presented at that time was both not in the footprint of the Connell House (as required in Alternative 6) and was not similar in size and height to the Connell House (subsection b of the 2023 action, as shown above).

Revised Design:
Since the July 8, 2025 hearing, Applicant caused a modified design to be prepared for consideration by the Board that removed the previous proposal of "swapped" areas for development. By removing an exterior stairway (180 square feet) and eliminating proposed development in the previous patio (approximately 600 square feet), the proposed new development would be reduced by approximately 780 square feet. The modified Plans are attached to a second draft resolution (**Attachment B**). Staff reviewed the design as modified and found that it is the same height as the previous proposal (and that it continues to meet Alternative 6's requirement to keep height sufficiently low to avoid ridgeline impacts). The proposed dwelling meets Alternative 6's reduced project requirements when compared to the original project analyzed in the EIR, as it is an approximately 7,690 square foot two-story single-family dwelling inclusive of a two-car garage, while the original proposal was to construct a 11,933 square foot three-story dwelling inclusion of a three car garage.

The revised design is within the footprint of the Connell House and as revised, a swap of area or extension of the new home footprint beyond the Connell House footprint is no longer proposed. The revised design is consistent with the description of Alternative 6 of the EIR but the house is still more than 3,000 square feet larger and 3 feet taller than the Connell House.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):
Pursuant to Public Resources Code section 21083 and CEQA Guidelines sections 15081, 15161, and 15200 et seq., the County of Monterey as Lead Agency prepared an Environmental Impact Report (EIR) for the original project, which consisted of (1) demolition of the existing 4,125-square-foot, two-story, single-family residence, and removal of the approximately 2,825 square feet of asphalt driveway and concrete patios; (2) construction of a new 11,933-square-foot, two-story (over basement), single-family residence including an attached three-car garage, a 986 square foot entry court, 106 square feet of uncovered terraces, approximately 2,600 square feet of covered terraces, new driveway, and approximately 1,700 cubic yards of grading (1,200 cubic yards cut/500 cubic yards fill); (3) restoration of approximately 1.67 acres to native dune habitat within 750 feet of a known archaeological resource; and (4) the removal of three Cypress trees. In addition to the original project scope,

this EIR also considered and analyzed eight alternative project scopes, as required by CEQA Guidelines section 15162.6. The Draft EIR identified potentially significant impacts to Aesthetics, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology, Seismicity, and Soils, Hazards and Hazardous Materials, Historic Resources, Hydrology and Water Quality, and Noise.

The EIR proposed mitigation measures to reduce all but one of the identified impacts to a level of less than significant. Demolition of the existing historic house was identified as a potentially significant impact that could not be mitigated to a less-than-significant level. The Draft EIR was circulated for public review and comment from August 24 to October 12, 2018 (SCH No. 2015021054). Per Resolution Nos. 23-236 and 23-237, the Board of Supervisors certified this EIR and adopted a written Statement of Overriding Considerations relative to the project's unavoidable impact on a historical resource. As described above, the Board of Supervisors also approved, in concept, Final EIR Alternative 6. The Board's direction to redesign a project to conform with Alternative 6 is consistent with the FEIR.

Pursuant to CEQA Guidelines section 15162, when an EIR has been certified, no subsequent EIR or negative declaration shall be prepared for the project unless the agency determines that substantial changes are proposed, or substantial changes occur with respect to the circumstances under which the project is undertaken. Here, no new information has been presented, no new circumstances exist, and no substantial changes are proposed that warrant further environmental review. The EIR contemplated residential development of the lot, including removal of trees and up to 10,008 square feet of structural and hardscape improvements. The EIR contemplated eight alternatives and one "no project" alternative to the original project and evaluated them separately for potential impacts. The Board's direction for redesign is intended to satisfy the parameters of Alternative 6. Should the Board elect to permit the Design Approval that the Applicant has brought forward in Attachment B, the redesign shall satisfy the parameters of Alternative 6. Evidence to support this finding is that Alternative 6 required a "reduced project" that was smaller in size than the original project and did not create a ridgeline effect (which was anticipated to result from construction of the original, full sized project). The proposed project design meets the parameters of Alternative 6 in that building coverage is 3,558 square feet less (original project was 8,058), floor area ratio percentage is reduced from 12.6% to 8.15%, and no ridgeline effect will be created because the height of the house as designed will be 4.5 feet less than the original project design (measured from Average Natural Grade) and staff confirmed no ridgeline effect during a visual impact assessment when the site was fully staked and flagged.

There has been no change in the project alternative and no indication during review of the project, or in testimony from the public, that circumstances have changed since the EIR was certified. Circumstances of the conditions of the sand dune environment of Signal Hill, the historical status of the Connell House, and the conditions of the Signal Hill neighborhood's buildout within the context of the Pebble Beach planned residential and recreational uses remain the same. Therefore, none of the conditions described in Guidelines section 15162 calling for preparation of a subsequent EIR or negative declaration have occurred.

LUAC:
The proposed project was reviewed by the Del Monte Forest Land Use Advisory Committee (LUAC) on August 1, 2024. The LUAC voted unanimously (8 yeas, 0 noes) to recommend the

project as proposed (**Attachment H**).

OTHER AGENCY INVOLVEMENT:
The following agencies have reviewed the project, have comments, and/or have recommended conditions:
Environmental Health Bureau
Cypress Fire Protection District
County Counsel
California Coastal Commission

FINANCING:
Funding for staff time associated with this project is included in the FY2025-26 Adopted Budget within HCD Unit 8543 Appropriation Unit HCD002.

Prepared by: Mary Israel, Supervising Planner, (831)755-5183 israelm@countyofmonterey.gov
Reviewed and approved by: Craig Spencer, HCD Director

The following attachments are on file with the Clerk of the Board:
Attachment A - Draft Resolution requiring redesign
Attachment B - Draft Resolution approving proposed redesign
- Draft Conditions of Approval
- Plans, Elevations and 3D Rendering

Attachment C - Appeals
C1 - Samuel Reeves, c/o Anthony Lombardo, Esquire
C2 - Alliance of Monterey Area Preservations (AMAP)
C3 - Massy Mehdipour appeal of condition 10
C4 - Updated responses to the three appeals (for August 8, 2025 hearing)
Attachment D - An Overlay of Connell House footprint and the newly proposed Design Approval footprint
Attachment E - Planning Commission Resolution No. 25-012
Attachment F - Board Resolution Certifying the Final EIR (#23-236)
F1 - link to Final EIR on the County HCD website
Attachment G - Board Resolution Approving Alternative 6 (#23-237)
Attachment H - LUAC minutes for August 1, 2024

cc: Front Counter Copy; California Coastal Commission; Craig Spencer, HCD Director, Mary Israel, Project Planner; Engineering Services; Environmental Health Bureau; Environmental Services; Cypress Fire Protection District; Massy Mehdipour, Applicant/Owner and Appellant; Anthony Lombardo, agent for Appellant; Mimi Sheridan/AMAP, Appellant; The Open Monterey Project (Molly Erickson); Laborers International Union of North America (Lozeau Drury LLP); LandWatch (Director); INTERESTED PARTIES; Project File PLN240077

Introduced: 8/18/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Resolution

PLN240077 - SIGNAL HILL LLC

Continued from July 8, 2025 - Public hearing to consider three appeals, one by Samuel Reeves, one by the Alliance of Monterey Area Preservationists (AMAP), and one by Massy Mehdipour, the applicant, from the April 30, 2025 Planning Commission decision approving the construction of an approximately 8,290 square foot two-story single family dwelling with an attached three car garage with light brown stucco exterior, black metal clad wood accents, and a gravel roof, an approximately 180 square foot stairwell, and approximately 695 square feet of terrace (identified as the "Reduced Project," Alternative 6 in the Final EIR) and the relocation of three Monterey Cypress trees.

Project Location: 1170 Signal Hill Road, Pebble Beach, Del Monte Forest Area Land Use Plan, Coastal Zone

Proposed CEQA Action: Consider a previously certified Final Environmental Impact Report (FEIR) (SCH#2015021054) for the Signal Hill LLC project and find the project consistent with the FEIR.

RECOMMENDATION:

Staff recommends that the Board of Supervisors adopt a resolution (Attachment B) to:

a) Partially uphold the appeals by Samuel Reeves and AMAP, from the April 30, 2025 Planning Commission decision approving the Design Approval;

b) Uphold the appeal by Massy Mehdipour, Applicant, from the April 30, 2025 Planning Commission decision approving the Design Approval with Condition No. 10;

c) Consider the previously certified Final Environmental Impact Report (FEIR) (SCH#2015021054) for the Signal Hill LLC project, and find that the Proposed Project does not warrant an addendum pursuant to CEQA Guidelines section 15162; and

d) Approve the Project as revised and as presented in Attachment B:

1) Granting a Design Approval for construction of an approximately 7,690 square foot two-story single-family dwelling inclusive of a two-car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof that fulfills the requirements of the "Reduced Project," Alternative 6 of the FEIR;

2) Approving a Coastal Development Permit to allow the relocation of two Cypress trees;

3) Approving a variance for structural development in the front setback; and

4) Amending Condition No. 23 of Resolution No. 23-237 to increase the conservation and scenic easement for the project to a 1.67-acre area.

A separate resolution (**Attachment A**) has been prepared as directed by the Board of Supervisors at the July 8, 2025 hearing on this matter. The resolution attached as Attachment A would partially uphold the Reeves and AMAP appeals, uphold the Mehdipour appeal, and require the applicant to redesign to be more similar in size to the Connell House.

PROJECT INFORMATION:
Property Owner: Massy Mehdipour
Agent: None
APN: 008-261-007-000
Zoning: Low Density Residential, 1.5 acres per unit with Design Control Overlay (Coastal Zone)
Flagged and Staked: Yes

SUMMARY:
On July 8, 2025, the Board of Supervisors considered three appeals of the Planning Commission's decision on the new house design and continued the item to August 26, 2025. Staff was asked to return with a resolution that reiterates the Board's prior direction from 2023 (Board of Supervisors Resolution No. 23-237). At the July 8, 2025 hearing, comments surrounding the motion clarified that that the expectation was that the new house be of a similar size and height to the Connell House. The proposal considered on July 8, 2025 was much larger than the Connell house by floor area, height, and it was not entirely within the footprint of the Connell House. Specific direction to Applicant included:

- Reduce square footage to align more closely to the Connell House floor area of approximately 4,125 square feet, rather than the original Signal Hill project (Proposed Project of the EIR);
- Reduce height to 22 feet above average natural grade, and
- Eliminate development that extends beyond the hardscape of the former Connell house, including 2nd floor terraces over sand dune areas.

Pursuant to Board direction, staff has prepared a draft Resolution (**Attachment A**), which partially upholds the Reeves and AMAP appeals, upholds the Mehdipour appeal, and requires the applicant to return to the Board with a redesign to meet the direction described above.

After the July 8, 2025 Board hearing, the applicant submitted a revised design with a request that this revised design be considered by the Board as an alternative to the motion of intent approved on July 8 (described above). The revised design eliminates portions of the prior proposal that were not within the footprint of the Connell House and slightly reduces the size of the new home. The new design is within the footprint of the former Connell House. The floor area of the proposed two-story structure is proposed at 7,690 square feet, reduced from the 8,290 square feet considered on July 8, but still larger than the Connell House. The proposed maximum height remains 25.5 feet, which is the same as the prior design but is approximately 3.5 feet taller than the Connell House.

Staff is recommending approval of the revised design based on an understanding of the Board Direction that the new house comply with the description of Alternative 6 of the Environmental Impact Report (EIR) prepared for the project. Alternative 6 was the "Reduced Project Alternative" that the EIR described as allowing the demolition of the Connell House and new construction of a house that

would stay within the developed footprint of the demolished house and be reduced in height to avoid "ridgeline development." The alternative also included restoration of 1.67 acres of the site to native due habitat. The redesigned project is within the footprint of the Connell House and proposed at a height that avoids ridgeline development (**Attachment B**).

Given the way that the 2023 decision was worded, and comments made at the July 8, 2025 Board hearing, it is clear there was an expectation that the new house footprint, height, and size would be compared with the footprint, height and size of the Connell House. This expectation makes sense in the context of the 2023 Board Direction which was heavily focused on the demolition of the historic Connell House and given that the decision mentions both "Alternative 6 of the EIR" and "construction *of a new single-family residence of similar size, in concept, as the existing residence*." Although the new design is within the footprint and below the ridgeline height, the revised design is still taller and larger than the Connell House. For this reason, staff has included some reference to the proposed redesign in the Disapproval Resolution, Attachment A.

DISCUSSION:

The staff report prepared for the July 8, 2025 hearing provides much of the background and analysis. This staff report does not reiterate all the information previously provided and instead refers to that staff report except as updated and modified to reflect the Board direction at the July 8, 2025 hearing and the revised design submitted by the applicant between July 8 and August 26, 2025.

Board Direction:

The design that was reviewed in the July 8, 2025 Board hearing was for an 8,290 square foot, two-story single family dwelling that was 25.5 feet tall (at the tallest points). The proposed design was not entirely within the previous footprint of the Connell House. At that hearing, the Applicant asked that the Board allow an area of the footprint to be left undeveloped (the rear/northwest corner of the Connell House) in exchange for adding area in the front of the house that fills in the former courtyard of the U-shaped Connell House footprint. The height and footprint are both key issues of the appeals from AMAP and Reeves. After reviewing the proposed design, the Board directed staff to prepare a resolution reiterating the 2023 decision.

The Board decision in June of 2023 (Resolution No. 23-237 (**Attachment G**) stated, in relevant part:
"4) *Approve a Coastal Development Permit for the "Reduced Project" (Alternative 6 of the Final EIR) consisting of:*
a) Coastal Administrative Permit to allow the demolition of an existing 4,124 square foot single family residence;
b) Coastal Administrative Permit for the construction of a new single-family residence of similar size, in concept, as the existing residence;
c) Coastal Development Permit to allow development within 100 feet of environmentally sensitive habitat;
d) Coastal Development Permit for development on slopes exceeding 30 percent;
e) Coastal Development Permit for development within 750 feet of a known archaeological resources;"

The description of Alternative 6 of the EIR describes a new residence that is in the "footprint" of the former Connell House and at a height that does not result in "ridgeline development." Subjection b of the action describes "construction of a new single-family residence of a similar size as the existing residence."

The Applicant is requesting that the Board focus on the description of Alternative 6 in the EIR and the statements made in the hearing about the "footprint" and "ridgeline." In contrast, the Appellants have pointed to the language about the new residence being of a similar size as the existing home. The July 8, 2025 Board Direction recognized that the design presented at that time was both not in the footprint of the Connell House (as required in Alternative 6) and was not similar in size and height to the Connell House (subsection b of the 2023 action, as shown above).

Revised Design:
Since the July 8, 2025 hearing, Applicant caused a modified design to be prepared for consideration by the Board that removed the previous proposal of "swapped" areas for development. By removing an exterior stairway (180 square feet) and eliminating proposed development in the previous patio (approximately 600 square feet), the proposed new development would be reduced by approximately 780 square feet. The modified Plans are attached to a second draft resolution (**Attachment B**). Staff reviewed the design as modified and found that it is the same height as the previous proposal (and that it continues to meet Alternative 6's requirement to keep height sufficiently low to avoid ridgeline impacts). The proposed dwelling meets Alternative 6's reduced project requirements when compared to the original project analyzed in the EIR, as it is an approximately 7,690 square foot two-story single-family dwelling inclusive of a two-car garage, while the original proposal was to construct a 11,933 square foot three-story dwelling inclusion of a three car garage.

The revised design is within the footprint of the Connell House and as revised, a swap of area or extension of the new home footprint beyond the Connell House footprint is no longer proposed. The revised design is consistent with the description of Alternative 6 of the EIR but the house is still more than 3,000 square feet larger and 3 feet taller than the Connell House.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):
Pursuant to Public Resources Code section 21083 and CEQA Guidelines sections 15081, 15161, and 15200 et seq., the County of Monterey as Lead Agency prepared an Environmental Impact Report (EIR) for the original project, which consisted of (1) demolition of the existing 4,125-square-foot, two-story, single-family residence, and removal of the approximately 2,825 square feet of asphalt driveway and concrete patios; (2) construction of a new 11,933-square-foot, two-story (over basement), single-family residence including an attached three-car garage, a 986 square foot entry court, 106 square feet of uncovered terraces, approximately 2,600 square feet of covered terraces, new driveway, and approximately 1,700 cubic yards of grading (1,200 cubic yards cut/500 cubic yards fill); (3) restoration of approximately 1.67 acres to native dune habitat within 750 feet of a known archaeological resource; and (4) the removal of three Cypress trees. In addition to the original project scope, this EIR also considered and analyzed eight alternative project scopes, as required by CEQA Guidelines section 15162.6. The Draft EIR identified potentially significant impacts to Aesthetics, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology, Seismicity, and Soils, Hazards and Hazardous Materials, Historic Resources, Hydrology and

Water Quality, and Noise.

The EIR proposed mitigation measures to reduce all but one of the identified impacts to a level of less than significant. Demolition of the existing historic house was identified as a potentially significant impact that could not be mitigated to a less-than-significant level. The Draft EIR was circulated for public review and comment from August 24 to October 12, 2018 (SCH No. 2015021054). Per Resolution Nos. 23-236 and 23-237, the Board of Supervisors certified this EIR and adopted a written Statement of Overriding Considerations relative to the project's unavoidable impact on a historical resource. As described above, the Board of Supervisors also approved, in concept, Final EIR Alternative 6. The Board's direction to redesign a project to conform with Alternative 6 is consistent with the FEIR.

Pursuant to CEQA Guidelines section 15162, when an EIR has been certified, no subsequent EIR or negative declaration shall be prepared for the project unless the agency determines that substantial changes are proposed, or substantial changes occur with respect to the circumstances under which the project is undertaken. Here, no new information has been presented, no new circumstances exist, and no substantial changes are proposed that warrant further environmental review. The EIR contemplated residential development of the lot, including removal of trees and up to 10,008 square feet of structural and hardscape improvements. The EIR contemplated eight alternatives and one "no project" alternative to the original project and evaluated them separately for potential impacts. The Board's direction for redesign is intended to satisfy the parameters of Alternative 6. Should the Board elect to permit the Design Approval that the Applicant has brought forward in Attachment B, the redesign shall satisfy the parameters of Alternative 6. Evidence to support this finding is that Alternative 6 required a "reduced project" that was smaller in size than the original project and did not create a ridgeline effect (which was anticipated to result from construction of the original, full sized project). The proposed project design meets the parameters of Alternative 6 in that building coverage is 3,558 square feet less (original project was 8,058), floor area ratio percentage is reduced from 12.6% to 8.15%, and no ridgeline effect will be created because the height of the house as designed will be 4.5 feet less than the original project design (measured from Average Natural Grade) and staff confirmed no ridgeline effect during a visual impact assessment when the site was fully staked and flagged.

There has been no change in the project alternative and no indication during review of the project, or in testimony from the public, that circumstances have changed since the EIR was certified. Circumstances of the conditions of the sand dune environment of Signal Hill, the historical status of the Connell House, and the conditions of the Signal Hill neighborhood's buildout within the context of the Pebble Beach planned residential and recreational uses remain the same. Therefore, none of the conditions described in Guidelines section 15162 calling for preparation of a subsequent EIR or negative declaration have occurred.

LUAC:
The proposed project was reviewed by the Del Monte Forest Land Use Advisory Committee (LUAC) on August 1, 2024. The LUAC voted unanimously (8 yeas, 0 noes) to recommend the project as proposed (**Attachment H**).

OTHER AGENCY INVOLVEMENT:
The following agencies have reviewed the project, have comments, and/or have recommended conditions:
Environmental Health Bureau
Cypress Fire Protection District
County Counsel
California Coastal Commission

FINANCING:
Funding for staff time associated with this project is included in the FY2025-26 Adopted Budget within HCD Unit 8543 Appropriation Unit HCD002.

Prepared by: Mary Israel, Supervising Planner, (831)755-5183 israelm@countyofmonterey.gov
Reviewed and approved by: Craig Spencer, HCD Director

The following attachments are on file with the Clerk of the Board:
Attachment A - Draft Resolution requiring redesign
Attachment B - Draft Resolution approving proposed redesign
- Draft Conditions of Approval
- Plans, Elevations and 3D Rendering

Attachment C - Appeals
C1 - Samuel Reeves, c/o Anthony Lombardo, Esquire
C2 - Alliance of Monterey Area Preservations (AMAP)
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C4 - Updated responses to the three appeals (for August 8, 2025 hearing)
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Attachment F - Board Resolution Certifying the Final EIR (#23-236)
F1 - link to Final EIR on the County HCD website
Attachment G - Board Resolution Approving Alternative 6 (#23-237)
Attachment H - LUAC minutes for August 1, 2024

cc: Front Counter Copy; California Coastal Commission; Craig Spencer, HCD Director, Mary Israel, Project Planner; Engineering Services; Environmental Health Bureau; Environmental Services; Cypress Fire Protection District; Massy Mehdipour, Applicant/Owner and Appellant; Anthony Lombardo, agent for Appellant; Mimi Sheridan/AMAP, Appellant; The Open Monterey Project (Molly Erickson); Laborers International Union of North America (Lozeau Drury LLP); LandWatch (Director); INTERESTED PARTIES; Project File PLN240077

Attachment A

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Before the Board of Supervisors in and for the County of Monterey, State of California

In the matter of the application of:
SIGNAL HILL LLC (PLN240077)
RESOLUTION NO. _____

Resolution by the County of Monterey Board of Supervisors to:

1) Partially uphold the appeals by Samuel Reeves and the Alliance of Monterey Area Preservations from the April 30, 2025 Planning Commission decision approving the Design Approval;
2) Uphold the appeal by Massy Mehdipour, Applicant, from the April 30, 2025 Planning Commission decision approving the Design Approval with Condition No. 10;
3) Consider the previously certified Final Environmental Impact Report (FEIR) (SCH#2015021054) for the Signal Hill LLC project, and find that an addendum pursuant to CEQA Guidelines section 15162 is not warranted; and
4) Disapprove the proposed Design Approval (PLN240077) for a 7,690 square foot single family dwelling with a height of 25.5 feet at the highest points and Reiterate the June 27, 2023 decision (Resolution No. 23-237) Approving a Combined Development Permit for the "Reduced Project" (Alternative 6 of the Final EIR) consisting of a Coastal Administrative Permit for the construction of a new single-family residence of similar size, in concept, as the Connell House (4,124 square feet in size and 22 feet in height).

[1170 Signal Hill Road, Pebble Beach, Del Monte Forest Area Land Use Plan (APN: 008-261-007-000)]

The Signal Hill LLC application for a Design Approval, Coastal Development Permit for tree relocation, and Variance to front setback (PLN240077) (the Proposed Project) came on for public hearing before the County of Monterey Board of Supervisors on July 8, 2025 and August 26, 2025. Having considered all the written and documentary evidence, the administrative record, the staff report, oral testimony, and other evidence presented, the Board of Supervisors finds and decides as follows:

FINDINGS

1. FINDING: **PROCESS, PROJECT DESCRIPTION AND CONSISTENCY** – The County has processed the subject application for construction of a single-family dwelling (Planning File No. PLN240077/Signal Hill LLC) in compliance with all applicable procedural requirements. The project, as conditioned, is consistent with the applicable plans and policies which designate this area as appropriate for development.

EVIDENCE:

a) Conformance with Plans. The Proposed Project has been reviewed for consistency with the text, policies, and regulations in:
- the 1982 Monterey County General Plan;
- Del Monte Forest Area Land Use Plan (LUP);
- Monterey County Coastal Implementation Plan Part 5 (CIP, Coastal Zoning Ordinance);
- Monterey County Zoning Ordinance (Title 20);
- The adopted Final EIR for the Signal Hill project; and
- Board Resolutions related to the development of the site (Resolution No. 23-237).

Public comment submitted during review of the project allege that the project is inconsistent with the text, policies, and regulations in these documents on various grounds. These comments have been considered.

The Board found that the project did not conform with its direction in Resolution No. 23-237. Based on evidence presented in the hearing and from the Board members' review of recording of the June 27, 2023 Board hearing, the Board found that the Applicant's proposed dwelling is not similar to the Connell House in size and height.

b) Project Description. The Board considered three appeals of the Planning Commission's approval of a Design Approval for a new 8,290 square foot single family residence with a height at the highest points of 25.5 feet on July 8, 2025. On August 26, 2025, the Board considered a revised design for a new 7,690 square foot single family residence with the same height.

c) Allowed Use. The property is located at 1170 Signal Hill Road, Pebble Beach (Assessor's Parcel Number 008-261-007-000), Del Monte Forest Area Land Use Plan (LUP). The parcel is zoned "LDR/1.5-D (CZ)" [Low Density Residential, 1.5 acres per unit with Design Control Overlay (Coastal Zone)], which allows residential uses.

d) Project Background. On May 9, 2023 and June 27, 2023, the Board of Supervisors heard appeals from Raymond Neutra, Samuel Reeves, and the Alliance of Monterey Area Preservationists of the Planning Commission's January 25, 2023 grant of a Combined Development Permit for this property based on the EIR's "Reduced Height Project" Alternative (Alternative 9 of the EIR). On June 27, 2023, the Board approved a Resolution (Resolution No. 23-237) approving a Coastal Administrative Permit to demolish the

4,124 square foot Connell House and approved, in concept, construction of a new single-family residence of similar size as the existing residence. The Board also approved a Coastal Administrative Permit to demolish the Connell House. On June 27, 2023, the Board of Supervisors also adopted Resolution No. 23-236, which adopted the Final EIR prepared for the Signal Hill LLC project together with a Statement of Overriding Considerations. The Board approved Condition No. 23 specifying that the project's CSE would be at least 2:1 in size for the area disturbed by the construction of the reduced project.

Building Permits for the demolition of the Connell House were issued on January 18, 2024 (File No 15CP01573) and the Connell House has been demolished.

e) The Final EIR describes its Reduced Project, Alternative 6, as demolition of the Connell House and construction of a new single-family residence to stay within the existing developed footprint and to avoid building heights that extend above the ridgeline" (EIR Chapter 5, page 5-9). In approving the Coastal Administrative Permit to construct a residence, the Board directed "that the construction is in the footprint of the Connell House as it was" (motion statement by Chair Church at minute 3:41 of June 27, 2023 Board hearing, zoom recording).

f) In approving the Reduced Project concept (Resolution No. 23-237), the Board of Supervisors prohibited the replacement single-family dwelling from expanding beyond the building footprint of the previous dwelling. In the appeal hearings for PLN240077 on July 8, 2025, the Board reviewed the proposed plans and found the project design to be inconsistent with its prior direction. The proposed design was not within the footprint of the Connell House and was not a similar size and height to the Connell House. At the conclusion of the hearing on July 8, 2025, the Board continued the hearing to August 26, 2025 with direction to staff to prepare a resolution reiterating the June 27, 2023 decision. After the July 8, 2025 Board hearing, the applicant submitted a revised design with a request that this revised design be considered by the Board as an alternative to the motion of intent approved on July 8. The revised design eliminates portions of the prior proposal that were not within the footprint of the Connell House and slightly reduces the size of the new home. The new design is within the footprint of the former Connell House. The floor area of the proposed two-story structure is proposed at 7,690 square feet, reduced from the 8,290 square feet considered on July 8, but still substantially larger than foot Connell House. The proposed height remains 25.5 feet, which is the same as the prior design but is approximately 3.5 feet taller than the Connell house.

New plans shall be required for a Design Approval to be granted.

g) Design Review. The site is in a Design Control (D) Zoning District. The purpose of the Design Control Zoning District is to provide a district for the regulation of the location, size, configuration, materials, and colors of structures and fences in those areas of the County where the design review of structures is appropriate to assure protection of the public viewshed, neighborhood character, and to assure the visual integrity of certain developments without imposing undue restrictions on private property.

h) Visual Resources. The property is in the viewshed area of 17 Mile Drive, as mapped in Figure 3 of the Del Monte Forest Land Use Plan. The property is visible from the public viewing area of Fanshell Beach. LUP Policy 51 requires buildings developed on residential lots in the Visual Resources area to be "situated to allow the highest potential for screening from view." LUP Policy 56 urges design and siting of structures in scenic areas should not detract from scenic values and should be subordinate to, and blended into, the environment. It is anticipated that the project roofline will remain below the tree line behind and around it from all public vista points, in keeping with Alternative 6 of the Final EIR. Section 20.66.010 of the Coastal Zoning Ordinance requires a Coastal Development Permit for Ridgeline Development. The Del Monte Forest Area CIP section 20.147.070(6) provides criteria for granting permits for new development that is silhouetted against the sky, or ridgeline development. DMF LUP Policy 48 states that development in visually prominent settings shall be sited and designed to avoid blocking or having a significant adverse impact on significant public views. In section 20.06.1275, Title 20 defines "substantial adverse visual impact" as "a visual impact which, considering the condition of the existing viewshed, the proximity and duration of view when observed with normal unaided vision, causes an existing visual experience to be materially degraded." By following the specific direction of the Board in the July 8, 2025 hearing, the project redesign should not present exceptional bulk or height beyond the existing and permitted dwellings within the public viewshed (Fanshell Beach and 17 Mile Drive locations). All new exterior lighting shall follow the dark sky regulations required by Mitigation Measure AES/MM-3.1, which was applied as a condition of approval to PLN100338 (Board Resolution No. 23-237).

i) Site Visit. The project planner conducted a site inspection on August 5, 2024, to assess visual impacts of the previous design. Another site inspection shall be scheduled with HCD-Planning to confirm site conditions for the project on the subject parcel.

j) Land Use Advisory Committee. Based on the Land Use Advisory Committee guidelines adopted by the Monterey County Board of Supervisors (Resolution No. 14-373), this

application warranted referral to the LUAC because the Proposed Project includes a Design Approval that requires a public hearing. The project was referred to the Del Monte Forest Land Use Advisory Committee (LUAC) for review on August 1, 2024, The LUAC voted 8 yeas, 0 noes to support the project as proposed.

k) On April 30, 2025, the County of Monterey Planning Commission held a duly noticed public hearing and unanimously approved the Design Approval, Coastal Development Permit for three Cypress tree relocations, and Variance to front setback by a vote of 10 yeas - 0 noes (Planning Commission Resolution No. 25-012).

l) Pursuant to Title 20 sections 20.86.040 and 050, on May 23, 2025, Sam Reeves ("Appellant" and/or "Reeves"), represented by Lombardo and Associates, timely appealed the April 30, 2025, decision of the Planning Commission. The appeal challenges the Planning Commission's approval, contending that the hearing was not fair and impartial, the findings are not supported by the evidence and the decision was contrary to law. See Finding No. 7 (Appeal) for a summary of this appeal's specific contentions and the County's responses.

m) Pursuant to Title 20 sections 20.86.040 and 050, on May 27, 2025, Mimi Sheridan, representing the Alliance of Monterey Area Preservationists (AMAP), timely appealed the April 30, 2025, decision of the Planning Commission. The appeal challenges the Planning Commission's approval, contending that the findings are not supported by the evidence and the decision was contrary to law. See Finding No. 7 (Appeal) for a summary of this appeal's specific contentions and the County's responses.

n) Pursuant to Title 20 section 20.86.040 and 050, on May 23, 2025, the Applicant, Massy Mehdipour ("Appealing Applicant" and/or "Mehdipour"), timely appealed the April 30, 2025 decision of the Planning Commission. The appeal challenges the Planning Commission's approval, contending that the hearing was not fair and impartial, the findings are not supported by the evidence and the decision was contrary to law. See Finding No. 7 (Appeal), Evidence "k" for a summary of this appellant's specific contentions and the County's responses.

o) The appeals were timely brought to hearing. Title 20 section 20.86.070 requires that the appeal authority hold a public hearing on an appeal within 60 days of receipt of the appeal. The appellant and Applicant agreed to a public hearing date of July 8, 2025, which is within the 60-day period. The Board continued the project hearing to a date certain, August 26, 2025. However, the requirements of Title 20 appeal hearing timing are met because the appeal hearing was opened within 60 days.

p) A complete copy of the appeals is on file with the Clerk of the Board of Supervisors. The appeals are also attached with itemized contention responses as Attachment C to the staff report for the July 8, 2025 Board of Supervisors hearing.

q) The Board of Supervisors conducted a duly noticed public hearing on the appeal and the project on July 8, 2025 and August 26, 2025. Notice of the *de novo* hearing on the matter before the Board of Supervisors was published in the Monterey County Weekly, notices were mailed and emailed to all property owners and occupants within 300 feet of the project site, and to all persons who requested notice; and three notices were posted at and near the project site.

r) The application, project plans, and related support materials submitted by the project applicant to County of Monterey HCD-Planning for the proposed development found in Project File No. PLN240077.

2. FINDING: **SITE SUITABILITY –** The site is physically suitable for the use proposed, and findings shall be made on a future redesign.

EVIDENCE:

a) As part of project review under PLN100338, the project was reviewed for site suitability by: HCD-Planning; Cypress Fire Protection Districts; HCD-Engineering Services; HCD-Environmental Services; and the Environmental Health Bureau. None of these departments/agencies has opined that the site is unsuitable for the proposed development. Conditions recommended by these departments and agencies were incorporated in the project Combined Development Permit resolution (Board Resolution No. 23-237).

b) The EIR identified potential impacts to Aesthetics, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology, Seismicity, and Soils, Hazards and Hazardous Materials, Historical Resources, Hydrology and Water Quality, and Noise, which could result from all components of the Project. All impacts other than those associated with the demolition of the Historical Resource are mitigated to a less-than-significant level. Historical Resource impacts has been mitigated, but not to a less than significant level.

c) The technical reports by outside consultants listed in the References of the Final EIR indicated that there are no physical or environmental constraints that would indicate that the site is not suitable for the use proposed. County staff has independently reviewed these reports and concurs with their conclusions.

d) The site designated for residential use. A residential structure has existed on the site since the 1950's.

e) The project planner conducted a site inspection on August 5, 2024, to verify that the site is suitable for the proposed use.

f) The application, project plans, and related support materials submitted by the project applicant to the County of Monterey HCD-Planning for the proposed development found in Project File Nos. PLN240077 and PLN100338.

3. FINDING: **HEALTH AND SAFETY -** The establishment, maintenance, or operation of a future redesigned project is not anticipated to be detrimental to the health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood of such proposed use nor will it be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County. However, this finding shall be made on a future redesign.

EVIDENCE:

a) All necessary public facilities are available to the Proposed Project. Water and sewer service will be provided by California American Water and the Carmel Area Wastewater District through the Pebble Beach Community Services District. The Environmental Health Bureau reviewed the project application and did not impose conditions pertaining to water, sewer, or solid waste. A water permit from the Monterey Peninsula Water Management District is required prior to the issuance of a building permit.

b) The Proposed Project includes construction of one structure designed for residential use. Emergency services are available. Building permits will be required to ensure the building is designed and built in accordance with California Building Standards. Geotechnical engineers have provided recommendations for the development that will be incorporated. Finally, there are no known hazards that may impact the health and safety of area residents.

c) The application, project plans, and related support materials submitted by the project applicant to the County of Monterey HCD - Planning for the proposed development found in Project File PLN240077.

5. FINDING: **VIOLATIONS –** The subject property complies with all rules and regulations pertaining to zoning uses, subdivision, and any other applicable provisions of the County's zoning ordinance. No violations exist on the property.

a) Staff reviewed County of Monterey HCD records and is not aware of any violations existing on the subject property. The site is currently clear of debris from the previously removed structure and has erosion controls in place where the residence had been. Natural and disturbed vegetation is also present on the parcel.

b) Cypress trees on the subject property were involved in Coastal Development Permit and Restoration Plan to resolve prior violations (Board Resolution No. 13-021 for PLN100418), approved for the subject parcel. Tree replanting and

monitoring that was required by the 2013 resolution was partly incomplete, the bond was not completely returned to the permit holder, and replanting of a tree intended to replace a large tree removed from the west side of the house was subsequently incorporated into PLN100338.

c) The project planner a conducted a site inspection on August 5, 2024, to verify that no violations exist on the property.

d) The application, plans, and supporting materials submitted by the project applicant to the County of Monterey HCD-Planning for the proposed development are found in Project File No. PLN240077.

6. FINDING: **CEQA (CONSIDER PREVIOUSLY CERTIFIED FINAL EIR, RECIRCULATION NOT WARRANTED) –** Public Resources Code section 21080(d) and California Environmental Quality Act (CEQA) Guidelines section 15064(a)(1) require a project to undergo environmental review if the lead agency finds that, in light of the whole record before it, there is substantial evidence that the project may have a significant effect on the environment. The County prepared a Final EIR dated October 2022 for PLN100338. The Final EIR responded to comments received during the Draft EIR circulation period of August 22, 2018 to October 12, 2018. Through adoption of Resolution No. 23-236, the Board of Supervisors certified the Final EIR. Pursuant to CEQA Guidelines section 15162, when an EIR has been certified, no subsequent EIR shall be prepared for the project unless the agency determines that substantial changes are proposed, or substantial changes occur with respect to the circumstances under which the project is undertaken.

EVIDENCE: a) The PLN100338 permit was granted subject to 42 conditions of approval that run with the land (condition number 31 was removed by the Board action and is still enumerated without condition requirements, as "reserved"). The Applicant has complied with all the measures and conditions of PLN100338 in timely fashion pursuant to the recorded Mitigation Monitoring and Reporting Plan Agreement (Document No. 2023029686).

b) The previous single-family dwelling was an Historic Resource at the State and Federal level, but not the local level (Monterey County Code Chapter 18.85 requires owner agreement to local listing). Although the EIR found impacts to Historic Resources to be significant with mitigation measures applied, the Board supported demolition in this case and found that there was sufficient evidence to support a Statement of Overriding Consideration (Resolution No. 23-237). Mitigation Measures for Historic Resources were applied to PLN100338, including HR/MM-1.1 (Historic American Buildings Survey) and HR/MM-1.2 (Connell House Web Page), both of which have been complied with prior to the hearing for PLN240077.

c) Issues that were analyzed in the EIR include Aesthetics, Agricultural Resources, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology, Seismicity, and Soils, Hazards and Hazardous Materials, Historical Resources, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Noise, Paleontological Resources, Population and Housing, Public Services, Utilities, Recreation, and Transportation and Traffic. The EIR identified potential impacts that would be less than significant or could be mitigated to a less than significant level associated with all topics, except impacts to Historical Resources, which cannot be mitigated to less than significant levels if a project that involved demolition is chosen. As described in these findings and in the EIR, mitigation measures that avoid or substantially lessen the impacts to Aesthetics, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology and Soils, Hazards and Hazardous Materials, Hydrology and Water Quality, and Noise have been incorporated (see Finding No. 6). For the impact identified as significant and unavoidable, all feasible mitigation measures have been incorporated, but even with such mitigation, the impacts remain significant.

d) The subject property contains coastal dune habitat and wetland habitat. In accordance with CIP section 20.147.040.B, a Biological Resource Assessment and Supplemental Biological Resources Assessment was prepared (Michael Zander, June 8, 2010 and June 23, 2011, HCD Library File No. LIB100396). Based on those reports, potential impacts were evaluated in the project EIR. The EIR recommended restoration actions for the original project scope, which was a much larger house that was found to have direct and indirect impacts on biological resources. The EIR found that the Reduced Project Alternative would not impact a significant amount of ESHA. Thus, Board Resolution Nos. 23-236 (EIR) and 23-237 (Approval of a conceptual Reduced Project Alternative) found BIO/MM-3.9 (Offsite restoration of sand dune habitat) extraneous, and both it and its monitoring action BIO/MMA-3.9.1 were removed. The Project's site review Coastal Administrative Permit was approved with voluntary restoration of approximately 1.67 acres of sand dune habitat on the project site and monitoring the restoration success for five years. Mitigation measures applied to the Combined Development Permit (PLN100338) accomplish the restoration and avoidance of impacts to biological resources through BIO/MM-2.1 (Restoration Monitor Funding Agreement), BIO/MM-2.2 (Environmental Awareness Training), BIO/MM-2.3 (Surveys for California Legless Lizard and Other Reptiles), BIO/MM-2.4 (California Legless Lizard Best Management Practices, "BMPs"), BIO/MM-2.5 (Nesting Bird Survey and Buffer Zone), BIO/MM-2.6 (Active Bird Nest Buffer), BIO/MM-3.2 (Dune

Restoration Plan Bond), BIO/MM-3.3 (Monitoring Contract), BIO/MM-3.4 (Fencing that Excludes Adjacent ESHA), BIO/MM-3.5 (Stockpiles and Staging Areas BMPs), BIO/MM-3.6 (Control Stormwater or Wastewater Outfall), BIO/MM-3.7 (Plant Species Landscape Plan), BIO/MM-3.8 (Landscape Plan Substrates), BIO/MM-4.1 (100-FT Buffer Zone from Juncus Articus Herbaceous Alliance Vegetation), and BIO/MM-4.2 (Coastal Wetland Perimeter Flagging). Furthermore, a Coastal Development Permit for development within 100 feet of ESHA was approved with the Combined Development Permit for PLN100338.

e) The subject property is in a high archaeological resource sensitivity area. In accordance with CIP section 20.147.080.B, a Phase 1 Archaeological Report was prepared (Doane and Breschini, February 2, 2012, HCD Library File No. LIB100397). Due to the project's proximity to known archaeological and tribal cultural resources, the EIR prepared for PLN100338 recommended measures for avoidance of impacts on cultural and tribal cultural resources. The development entitled under PLN100338 included Mitigation Measures that required archaeological resource/artifact training for construction personnel (AR/MM-1.1), an onsite archaeological monitoring plan to be developed (AR-MM-1.2) with active monitoring (AR/MM-1.3) and directed action if human remains are exposed during construction (AR/MM-2.1). These are active conditions of approval for PLN100338.

f) Mitigation Measures applied to PLN100338 include those mentioned above for Biological Resources, Aesthetics, Archaeological and Tribal Cultural Resources, as well as for Air Quality (AQ/GHG/MM-1.1 and AQ/GHG/MM-1.2), Geology and Soils (GEO/MM-1.1), Hazards and Hazardous Materials (HAZ/MM-1.1, HAZ/MM-1.2 and HAZ/MM-1.3) Hydrology and Water Quality (HYD/MM-1.1 and HYD/MM-2.1) and Noise (NOI/MM-1.1).

g) The EIR examined eight alternatives and one "no project" alternative to the original project and evaluated them separately, comparing their potential impacts to those of the originally proposed project. This Design Approval is intended to reflect the parameters of the Reduced Project alternative, Alternative 6. The redesign is anticipated to be smaller than the project considered in the EIR prepared for PLN100338 in all ways. The original project was 11,933 square feet and two stories with 1,950 square feet of paved areas for a total impervious lot coverage of 10.6 percent. The PLN240077 design shall be a reduced project in keeping with Board direction. Therefore, the Proposed Project shall meet or exceed the EIR's estimation of a Reduced Project Alternative to the original project.

7. FINDING: **APPEAL –** Pursuant to Monterey County Code section 20.86.030, Sam Reeves (neighbor), AMAP (interested organization), and Massy Mehdipour (Applicant) separately and timely appealed the Planning Commission's April 30, 2025 decision approving the Design Approval, Coastal Development Permit for tree relocation, and variance. Upon consideration of the written and documentary evidence, the staff report, oral testimony, other evidence presented, and the administrative record as a whole, the Board finds some merit to the Reeves and AMAP contentions. The Board also found the Mehdipour appeal to have some merit. The Board's reasoning and response to the summarized contentions follows. Copies of the appeals and itemized responses prepared by staff, but which the Board hereby adopts and incorporates into this Resolution, are Attachment C to the staff report for the July 8, 2025 Board of Supervisors hearing.

EVIDENCE: a) Appellant Reeves contends that the Applicant and staff made numerous misstatements of the fact in the application, concerning past actions, and as to the Board's decision; these Appellants remarked on the perceived misstatements and contend that they were not corrected as part of the Planning Commission hearing.

County's response:. Staff has corrected an error in calculations of the square footage of neighborhood homes in the staff report and presentation for the July 8, 2025 hearing. The history of tree removal and the proposed tree relocation were also clarified and addressed.

b) Appellants Reeves contends that public comment during the hearing was not memorialized in Finding 1.

County's response: The appellant is correct on this issue. Post-hearing edits should have been made. This hearing is *de novo* and testimony received in the hearing will be noted in the final resolution.

c) Appellants Reeves and AMAP contend that there are numerous factual errors in the Resolution, including the following bulleted items:

- Finding 1, b equated the proposed project with Alternative 6, and the appellant found that not to be correct, based on a line taken from the Combined Development Permit Board Resolution No. 23-037 [*sic*] Finding 1.

County's response: This contention has some merit. The Board decision in June of 2023 (Resolution No. 23-237 stated, in relevant part:

"4) *Approve a Coastal Development Permit for the "Reduced*

Project" (Alternative 6 of the Final EIR) consisting of:
a) Coastal Administrative Permit to allow the demolition of an existing 4,124 square foot single family residence;
b) Coastal Administrative Permit for the construction of a new single-family residence of similar size, in concept, as the existing residence;
c) Coastal Development Permit to allow development within 100 feet of environmentally sensitive habitat;
d) Coastal Development Permit for development on slopes exceeding 30 percent;
e) Coastal Development Permit for development within 750 feet of a known archeological resources;"

The description of Alternative 6 of the EIR describes a new residence that is in the "footprint" of the former Connell House and that is at a height that does not result in "ridgeline development." Subjection b of the action describes "construction of a new single-family residence of a similar size as the existing residence."
The house design reviewed by the Planning Commission was not in the exact footprint of the Connell House. Instead, the Applicant proposed to develop the front courtyard area in exchange for leaving an area that will be left undeveloped in the rear yard. The front courtyard of the Connell House had a paved patio and landscaping flanked on three sides by the U-shaped house (the front courtyard). The Applicant proposed to fill in the front courtyard which included an area that was covered by a concrete patio (hardscape) and an additional area beyond the patio. In exchange for adding to the footprint in the courtyard area, the Applicant proposed to leave a smaller area of the northwest corner and area adjacent to the former courtyard of the Connell House footprint undeveloped. Additionally, the proposed house has a floor area of 8,290 square feet and a height of 25.5 feet at its tallest points. This represented an over 3,000 square foot increase in size and a 3.5 foot increase in height when compared to the size and height of the Connell House. The size and height was not similar to the Connell House.

After the July 8, 2025 Board hearing, the applicant submitted a revised design with a request that this revised design be considered by the Board as an alternative to the motion of intent approved on July 8. The revised design eliminates portions of the prior proposal that were not within the footprint of the Connell House and slightly reduces the size of the new home. The new design is within the footprint of the former Connell House and is consistent with the description of Alternative 6 of the EIR. The floor area of the proposed two-story structure in the revised design has a floor area of 7,690 square feet, reduced from the 8,290 square feet considered on July 8, but still substantially larger than foot Connell House. The proposed height remains 25.5 feet, which is the same as the prior design but is approximately 3.5 feet taller than the Connell house.

Past references to the size of the Connell house in the EIR and the Board Resolution 23-237 indicated that the house was 4,124 square feet in size. It is acknowledged that the size quoted in those documents were estimates based on information available at the time. No survey of the existing house was available as the basis for these estimates. Submitted with the application for the new house was a plan prepared by Whiston Engineers showing the footprint of the Connell House to be 4,630 square feet. Staff reviewed the plans and determined that this calculation appears to include the footprint of the house from a bird's eye view which includes roof overhangs and decks. The prior estimate of square footage was based on the size of the Connell House, not including roof overhangs and decks, so two different things are being measured. However, the Board finds this contention has merit and, therefore, requires the proposed design be modified to further reduce development.

- Finding 1, Evidence l: "the height, flat roof, and use of natural colors and materials help blend the development into the surrounding environment (existing sand dune and trees around the site)." LUP Policy 51 is described, and the Proposed Project is discussed as if it is consistent with the policy. Appellant argues the evidence is to the contrary because the Proposed Project is larger than existing dwellings in the Signal Hill enclave.

County's response: Finding 1, Evidence "m" includes straightforward clear statements. LUP Policy 51 does not require new construction to match other construction in the area. The Board requires a redesign limited to the Connell House's structural footprint. The redesign shall be analyzed for consistency with LUP policies.
Additionally, the County certified an EIR for the project, discussed the potential impacts to Aesthetic Resources, and concluded that the project, as mitigated by habitat restoration and permanent maintenance and tree replacements, would result in a less-than-significant impacts.

- County mistakenly identified two trees in front of the house as significantly pruned trees, which were part of the violations which PLN100418 addressed. The relocation of T4, TS, and T12 will not screen the view of this project from the common public viewing areas of Seventeen Mile Drive and Fanshell Beach.

County response: There are two different tree removal/relocation permits at issue.

First, in 2009, a code enforcement case (CE090288) was initiated as a result of the Applicant's unpermitted tree removal of 2 large Cypress trees. To address that code enforcement case, a Tree Resource Evaluation/Construction/Impact Analysis was prepared by a certified arborist in October 2010 (LIB100394). The report evaluated the eight trees on the site (7 Cypress and 1 Eucalyptus) and documented that two Cypress trees were removed without a permit. Additionally, in December 2011, the arborist documented a cluster of three Cypress trees that had been "excessively pruned" and recommended a 5-year monitoring period for survivability of those trees. On February 5, 2013, the Board of Supervisors approved an after-the-fact permit for the tree removal and required restoration of the site, replanting 2 large Cypress trees to screen the house from views, and monitoring of the trimmed trees, as a condition of approval of that permit (Resolution No 13-021).

The Applicant replanted the trees as required by the condition. One of the replacement trees, located west of the house, did not survive. That tree is required to be replanted again and monitored in accordance with the approved conditions. A second tree was replanted is south of the proposed house near the existing driveway. That tree survived; it is alive today. However, the Applicant also proposed that this tree be relocated approximately 20 feet south. The trees that were trimmed have been monitored and have survived. The trimmed trees are subject to the conditions imposed as part of Resolution No 13-021 and are not the subject of the proposed new house design. Included in the permit now before the Board (PLN240077), the Applicant proposed to relocate three trees as part of the new construction including one tree that was required to be planted by Resolution No. 13-021. Two trees proposed for relocation would be moved a few feet from their current location (in the front yard) so that they would continue to provide screening when viewed from Signal Hill Road and they will still provide a tree-lined backdrop to the house when viewed from 17 Mile Drive. The Cypress tree located near the existing driveway that was required to be replanted under prior permits shall not be permitted to be relocated. The necessity for tree relocations shall be reviewed with the redesign and, if needed, a Finding shall be made.

d) Appellant Reeves contends that was a factual error in the Resolution in Finding 6. Evidence b, which discussed the historic status of the Connell House. The appellant would prefer the evidence to clarify the reason that the house was not listed locally.

County response: The County Code does not allow the Historic Resources Review Board to list an historic resource on the County's local register without property owner permission. The evidence does not misconstrue the establishment of the Connell House as an historic resource at the levels that it was listed. This

point is irrelevant to the decision at hand. Demolition of the Connell House was evaluated in the EIR, approved by the Board of Supervisors, and the house has been demolished.

e) Appellant Reeves contends that County should not have decided on a variance without noticing a variance as requested as part of the entitlements sought by the project and reviewed at the hearing.
County's response: Staff acknowledges that no notice was given for consideration of to support a variance by the Planning Commission. When the Applicant proposes a redesigned project, a variance may be justified and noticed in this case because the Board of Supervisors, in adopting a resolution to conceptually approve a new house that reflects Alternative 6 of the EIR, limited the new development to occur within the footprint of the former residence. The footprint of the former residence was non-conforming to front setback requirements and rebuilding a home in the footprint would include new construction within the required front setback.

f) Appellants Reeves and AMAP contend that the project is inconsistent with the policies of the DMF LCP, particularly relating to visual resources.
County's response: The Board requires the proposed design be modified to further reduce development that extends beyond the footprint of the former Connell House. The project will be reviewed with the policies of the Del Monte Forest Land Use Plan.

g) Appellants Reeves and AMAP contend that the action of the Planning Commission failed to recognize that the Applicant did not comply with the prior action by the Board of Supervisors for PLN100418 to plant and maintain Monterey Cypress trees to screen the property from Seventeen Mile Drive and Fanshell Beach.
County's response: The contention raises an issue with tree removal that has been resolved through subsequent permitting and has ongoing condition compliance and monitoring requirements. The evidence in the condition compliance record for PLN100418 in the form of tree status reports prepared by a qualified arborist indicate that replacement trees failed due to fungus infections, not due to deliberate removal of healthy trees. The conditions of approval on that restoration permit included replanting in the case of tree failure. The Board applied Condition No. 16, Tree Replanting and Protection, which requires the owner to

". . . cause a 48-inch box Cypress tree to be planted in a location that will provide screening of the new development when viewed from Fanshell Beach and 17-Mile Drive. The tree shall replace the large Monterey Cypress tree which was previously removed from the property and was not successfully replanted

per the after-the-fact Planning Permit (PLN100418, Reso. No. 13-021) to clear a code violation for tree removal (CE090788)."

This condition was discussed in the Planning Commission hearing on PLN240077, during Commission deliberations. The tree was not drawn into the arborist's tree replacement. The tree relocation and protection plan submitted with the PLN240077 application was different, as the arborist (James Allen) was contracted to assess tree relocations related to this permit application. However, when the final landscaping plan is received pursuant to conditions of approval of PLN100338, all relocation and replanting shall be included in the plan for review and approval.

h) Appellant Reeves contends that the decision of the Planning Commission as described in Resolution No. 25-012 is contrary to the 2023 findings and decision of the Board of Supervisors: "Finding 1, evidence i: The Reduced Project is anticipated to be no taller or larger than the existing dwelling. A Design Approval shall ensure that colors and materials will blend with the natural surroundings."
County response: This comment is essentially the same as appellant's contention listed as the second bullet in Finding 8, evidence "c."

i) Appellants Reeves and AMAP contend that the Proposed Project is too tall. Specifically, Reeves contends that the Proposed Project is not the height that was mentioned in the 2023 findings and decision of the Board of Supervisors in Finding 1, evidence m: "Maximum allowable height is 30 feet, and the Reduced Project maximum height is anticipated to be approximately 22 feet from average." At 25.5' above natural grade it is higher than the 22' above natural grade described in the FEIR, staff reports and Board resolution. With a 30' high frontal view from Seventeen Mile Drive, it is 8 feet higher than the approximate 22' high frontal view of the Connell House.

County Response: This contention is also addressed in Finding 8, Evidence c. The new design will be reviewed for consistency with the adopted Local Coastal Plan regulations, the description of the reduced project alternative (Alternative 6) in the EIR, and the Board's direction.

Ridgeline Development was discussed in the EIR in relation to the full height project and the alternatives. As discussed in the EIR, the ridgeline effect that would potentially occur under the reduced alternative project is minimized by a reduced roofline. The EIR did not specify by how much the roofline would be reduced for Alternative 6 but stated that the height would need to avoid ridgeline effects.

j) Appellants Reeves and AMAP contend that the plans do not incorporate the replacement of trees required by the Board of

Supervisors in their decision January 2013 decision on PLN100418.

County response: The contention is acknowledged. The Board finds that the replanted tree, which was required to be planted near the existing driveway by PLN100418, does not require relocation. The tree shall be retained. This is the tree that was required to be planted in accordance with the Board's prior decisions. The other tree that was required to be replanted was replanted, but did not survive. As required by the conditions of the prior approval, that tree must be replaced and monitored for survivability pursuant to the prior approvals.

k) Appellant Mehdipour contends that Condition 10 was improperly modified without public noticing of the action. Appellant claims that it was not fair or impartial for Commissioners to suggest revising the Board's Resolution after public and applicant comment periods were closed, and that the Planning Commission lacked authority to contradict the Board's decision. Finally, Applicant maintains that the Planning Commission infringed on her rights by not returning to ask if they accepted the new easement.

County's response: By attempting to enforce what the Commissioners saw as a closer consistency with the LUP, the Planning Commission purported to override an existing condition of approval that was approved by the Board. The Planning Commission has no authority to take that action. The purview of the Planning Commission was limited to reviewing the Project to satisfy Board direction and Design District/LUP criteria. Furthermore, it came up after the public hearing was closed and the Applicant should have been allowed to respond to the addition. Finally, amendment to conditions of approval of PLN100338 was not agendized. For these reasons, the appeal by the Applicant is found to have some merit. The Board's original Condition No. 23 shall stand and the contrary finding by the Planning Commission is overruled.

l) Coastal Commission. Pursuant to Title 20, Section 20.86.080.A, the project, once final action is taken, will be subject to appeal by/to the California Coastal Commission because it involves development between the sea and the first through public road paralleling the sea (i.e., State Route/Highway 1). This resolution represents a denial of the proposed Design Approval. Denials are not appealable to the Coastal Commission.

DECISION

NOW, THEREFORE, based on the above findings and evidence and the administrative record as a whole, the Board of Supervisors does hereby take the following actions:

1) Partially uphold the appeals by Samuel Reeves and the Alliance of Monterey Area Preservations from the April 30, 2025 Planning Commission decision approving the Design Approval;
2) Uphold the appeal by Massy Mehdipour, Applicant, from the April 30, 2025 Planning Commission decision approving the Design Approval with Condition No. 10;
3) Consider the previously certified Final Environmental Impact Report (FEIR) (SCH#2015021054) for the Signal Hill LLC project, and find that the Proposed Project is consistent with Alternative 6 of the FEIR and does not warrant an addendum pursuant to CEQA Guidelines section 15162; and
4) Disapprove the proposed Design Approval (PLN240077) for a 7,690 square foot single family dwelling with a height of 25.5 feet at the highest points and reiterate the June 27, 2023 decision (Resolution No. 23-237) Approving a Combined Development Permit for the "Reduced Project" (Alternative 6 of the Final EIR) consisting of a Coastal Administrative Permit for the construction of a new single-family residence of similar size, in concept, as the Connell House (4,124 square feet in size and 22 feet in height)..

PASSED AND ADOPTED this 26th day of August, 2025, upon motion of _____ seconded by _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

COPY OF THIS DECISION MAILED TO APPLICANT ON _____.

THIS PROJECT IS LOCATED IN THE COASTAL ZONE AND IS APPEALABLE TO THE COASTAL COMMISSION. UPON RECEIPT OF NOTIFICATION OF THE FINAL LOCAL ACTION NOTICE (FLAN) STATING THE DECISION BY THE FINAL DECISION-MAKING BODY, THE COMMISSION ESTABLISHES A 10 WORKING DAY APPEAL PERIOD. AN APPEAL FORM MUST BE FILED WITH THE COASTAL COMMISSION. FOR FURTHER INFORMATION, CONTACT THE COASTAL COMMISSION AT (831) 427-4863 OR AT 725 FRONT STREET, SUITE 300, SANTA CRUZ, CA.

This decision, if this is the final administrative decision, is subject to judicial review pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6. Any Petition for Writ of Mandate must be filed with the Court no later than the 90th day following the date on which this decision becomes final.

NOTES:

1. You will need a building permit and must comply with the Monterey County Building Ordinance in every respect.

   Additionally, the Zoning Ordinance provides that no building permit shall be issued, nor any use conducted, otherwise than in accordance with the conditions and terms of the permit granted or until ten days after the mailing of notice of the granting of the permit by the appropriate authority, or after granting of the permit by the Board of Supervisors in the event of appeal.

   Do not start any construction or occupy any building until you have obtained the necessary permits and use clearances from County of Monterey HCD-Planning and HCD-Building Services offices in Salinas.

2. This permit expires 3 years after the above date of granting thereof unless construction or use is started within this period.

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Attachment B

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Before the Board of Supervisors in and for the County of Monterey, State of California

In the matter of the application of:
SIGNAL HILL LLC (PLN240077)
RESOLUTION NO. _____

Resolution by the County of Monterey Board of Supervisors to:

1) Partially uphold the appeals by Samuel Reeves and the Alliance of Monterey Area Preservations, from the April 30, 2025 Planning Commission decision approving the Design Approval;
2) Uphold the appeal by Massy Mehdipour, Applicant, from the April 30, 2025 Planning Commission decision approving the Design Approval with Condition No. 10;
3) Consider the previously certified Final Environmental Impact Report (FEIR) (SCH#2015021054) for the Signal Hill LLC project, and find that the Proposed Project is consistent with Alternative 6 of the FEIR and does not warrant an addendum pursuant to CEQA Guidelines section 15162;
4) Approve a Design Approval for construction of an approximately 7,690 square foot two-story single-family dwelling inclusive of a two-car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof that fulfills the requirements of the "Reduced Project," Alternative 6 of the Final EIR;
5) Approve a Coastal Development Permit to allow the relocation of two Cypress trees;
6) Approve a Variance for structural development in front setback; and
7) Amend Condition No. 23 of Resolution No. 23-237 to increase the conservation scenic easement for the project to 1.67-acre area.

[1170 Signal Hill Road, Pebble Beach, Del Monte Forest Area Land Use Plan (APN: 008-261-007-000)]

The Signal Hill LLC application for a Design Approval, Coastal Development Permit for tree relocation, and Variance to front setback (PLN240077) (the Proposed Project) came on for public hearing before the County of Monterey Board of Supervisors on July 8, 2025 and August 26, 2025. Having considered all the written and documentary evidence, the administrative record, the staff report, oral testimony, and other evidence presented, the Board of Supervisors finds and decides as follows:

FINDINGS

1. FINDING: **PROCESS, PROJECT DESCRIPTION AND CONSISTENCY** – The County has processed the subject application for construction of a single-family dwelling (Planning File No. PLN240077/Signal Hill LLC) in compliance with all applicable procedural requirements. The project, as conditioned, is consistent with the applicable plans and policies which designate this area as appropriate for development.

EVIDENCE:

a) Conformance with Plans. Staff reviewed the updated Project for consistency with the text, policies, and regulations in:
- the 1982 Monterey County General Plan;
- Del Monte Forest Area Land Use Plan (LUP);
- Monterey County Coastal Implementation Plan Part 5 (CIP, Coastal Zoning Ordinance);
- Monterey County Zoning Ordinance (Title 20);
- The adopted Final EIR for the Signal Hill project; and
- Board Resolutions related to the development of the site.

Public comment submitted during project review alleged that the project was inconsistent with the text, policies, and regulations in these documents on various grounds. These comments have been considered and appropriate revisions to the project and conditions of approval have been made. Contentions of the appeal are discussed in Finding No. 10.

b) Project Description. The Proposed Project is for construction of an approximately 7,690 square foot two-story single-family dwelling inclusive of a two-car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof. The project includes tree relocation (limited to 2 Cypress trees) to accommodate new construction.

c) Allowed Use. The property is located at 1170 Signal Hill Road, Pebble Beach (Assessor's Parcel Number 008-261-007-000), Del Monte Forest Area Land Use Plan (LUP). The parcel is zoned "LDR/1.5-D (CZ)" (Low Density Residential, 1.5 acres per unit with Design Control Overlay [Coastal Zone]), which allows residential uses. This Proposed Project consists of construction of a new single-family dwelling with associated site improvements for residential use. Tree removal proposed as part of the project is analyzed for consistency with the LUP, CIP, and Title 20 Zoning Ordinance and a Coastal Development Permit with supporting finding is part of this entitlement. Therefore, the Proposed Project is an allowed land use for this site.

d) Project Background. On May 9, 2023 and June 27, 2023, the Board of Supervisors heard appeals from Raymond Neutra, Samuel Reeves, and the Alliance of Monterey Area

Preservationists (AMAP) of the Planning Commission's January 25, 2023 grant of a Combined Development Permit for this property based on the EIR's "Reduced Height Project" Alternative (Alternative 9 of the EIR). On June 27, 2023, the Board approved a Combined Development Permit for the "Reduced Project" (Alternative 6 of the Final EIR), in concept, as there were no plans prepared for it to be reviewed at the hearing (Resolution No. 23-237). Resolution No. 23-237 included approval of a Coastal Administrative Permit to construct a new single-family residence of similar size as the existing residence. The Board also approved a Coastal Administrative Permit to demolish the Connell House. The Board's motion adopting its decision included the "stipulation that the construction is in the footprint of the Connell House as it was" (motion statement by Chair Church at minute 3:41 of June 27, 2023 Board hearing zoom recording). The building footprint of the Connell House did not conform to the 30-foot front setback of the LDR zoning district. The Board did not specify that the development footprint should be shifted out of the setbacks. On June 27, 2023, the Board of Supervisors also adopted Resolution No. 23-236, which adopted the Final EIR prepared for the Signal Hill LLC project together with a Statement of Overriding Considerations. The Board approved Condition No. 23 specifying that the project's CSE would be at least 2:1 in size for the area disturbed by the construction of the reduced project.

e) The Final EIR describes its Reduced Project Alternative 6 as subject to these constraints: reduce the size of the proposed single-family residence to stay within the existing developed footprint and to avoid building heights that extend above the ridgeline (EIR Chapter 5, page 5-9). In approving the Coastal Administrative Permit to construct a residence, the Board directed "that the construction is in the footprint of the Connell House as it was" (motion statement by Chair Church at minute 3:41 of June 27, 2023 Board hearing, zoom recording).

f) In approving the Reduced Project concept (Resolution No. 23-237), the Board of Supervisors prohibited the replacement single-family dwelling from expanding beyond the building footprint of the previous dwelling. The plans attached to this Resolution, inclusive of roofs, decks, and hardscapes, do not expand beyond the Connell House's historic footprint and it is designed at a height that does not constitute ridgeline development.

g) Design Review. The site is in a Design Control (D) Zoning District. The purpose of the Design Control Zoning District is to provide a district for the regulation of the location, size, configuration, materials, and colors of structures and fences in those areas of the County where the design review of structures is appropriate to assure protection of the public viewshed, neighborhood character, and to assure the visual integrity of

certain developments without imposing undue restrictions on private property. The Signal Hill LLC project has been reviewed for siting, design, colors, materials, height, character, and viewshed impacts. Project siting is generally in the same location as the previous house, close to Signal Hill Road, with Cypress trees on either side of it. The Proposed Project includes exterior colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof (see attached plans). The homes in this area have a variety of architectural styles. As proposed, the design and architectural elements are consistent with the mixed neighborhood character. The proposed colors, materials, bulk, and mass will not detract from the surrounding environment and are consistent with the surrounding residential neighborhood character.

h) Development Standards. As detailed in the attached plans, the Proposed Project meets all required development standards established in Title 20, except the front setback, which conforms with the Board of Supervisors' direction. Title 20, Chapter 20.14 establishes the development standards for the subject parcel, zoned Low Density Residential with a maximum gross density of 1.5 acres/unit and a Design Control Overlay or "LDR/1.5-D(CZ)." Required setbacks for main structures are 30 feet (front) and 20 feet (rear and side). The original Connell House was in the front setback. The direction of the Board of Supervisors on the Proposed Project, when it gave its conceptual approval, was to site the new structure in the same building footprint as the previous single-family dwelling. To comply with this direction, the Proposed Project will continue to be within the front setback. A Variance to setback regulations was requested and is part of this decision (Finding No. 9).

   The maximum height of the main dwelling is 25.5 feet above average natural grade (ANG), meeting the 30-foot height maximum for this zoning district. The maximum allowable building site coverage is 15 percent (14,146 square feet/94,307 square feet), and the project will result in building site coverage of less than 4.4 percent (4,122 square feet/94,307 square feet). The maximum allowable floor area ratio is 17.5 percent (16,504 square feet), and the project will have a floor area ratio of approximately 8.15 percent (7,689.9 square feet). The Proposed Project meets the required height, building site coverage, and floor area ratio regulations.

i) Tree Removal. Two Monterey Cypress trees will be transplanted for the development. An Arborist Report prepared for the PLN100338 project concluded that the trees are not within the native habitat identified as a type of ESHA in Figure 2a of the Del Monte Forest Land Use Plan. The existing trees are in the front setback of the previous development and the proposed replanting locations are also near the proposed

structure on the same side. The proposed project that was appealed to the Board of Supervisors requested removal of a third Monterey Cypress tree, but it was identified as part of a previous Coastal Development Permit and Restoration Plan (Resolution No. 13-021 for PLN100418). The Board does not find evidence to require that the Cypress tree near the existing driveway that was required to be replanted under prior permits must now be relocated. Therefore, the Applicant has agreed that this tree shall be protected in place during construction. The replanting of the two permitted trees shall be overseen by a qualified arborist and a 5-year monitoring program shall be followed as was required for all replanted trees on the property. This requirement ensures the health and survival of the Cypress trees and long-term screening of the development. Tree removal is addressed in Finding 4 of this Resolution.

j) Development on Slopes. Pursuant to section 20.64.320 of the Monterey County Coastal Implementation Plan Part 1 (Coastal Zoning Ordinance), a Coastal Development Permit is required for development on slopes of 30% or greater. The Proposed Project involves development on approximately 800 square feet of area containing slopes greater than 30%. The Proposed Project minimizes development on slopes and a geotechnical report recommends that the development on slopes is feasible. A Coastal Development Permit for development on slopes was included in the Board of Supervisors' Resolution No. 23-237. Conditions applied to the previous permit (PLN100338) for potential impacts due to development on slopes required actions that have begun and will continue to be implemented; no further mitigation is required.

k) Development within 100 feet of Environmentally Sensitive Habitat. Pursuant to section 20.14.030.E, of the Coastal Zoning Ordinance, a Coastal Development Permit is required for development within 100 feet of Environmentally Sensitive Habitat Areas (ESHA). The site is in coastal sand dune habitat, which the LUP and CIP deem protected. With grading and construction, staging areas, up to 0.39 acres will be impacted from construction of the Proposed Project. Restoration of native dune habitat is proposed. A Coastal Development Permit for development within 100 feet of ESHA was included in Board of Supervisors' Resolution No. 23-237. Conditions applied to the previous permit (PLN100338) for potential impacts to ESHA required actions that have begun and will continue to be implemented and no further mitigation is required. See Finding 6 for discussion of biological resource mitigations.

When development is allowed within 100 feet of ESHA, LUP ESHA Policy 13 requires some portion of the property to be conserved in a Conservation and Scenic Easement Deed (CSED). The Planning Commission found the CSED

requirement of Board Resolution No. 23-237, which was for a 2:1 ratio of construction impacted area, to be insufficient to protect the sand dune ESHA outside of the structures allowed for development by this permit. The applicant has offered to extend the Conservation and Scenic Easement (CSE) to cover all areas of the property that are planned for restoration, 1.67 acres. This is in keeping with the Final EIR's recommendation for a CSE based on the originally proposed, much larger project.

LUP Policy 17 recommends that the remnant native sand dune habitat along the shore in the Spanish Bay planning area, on Signal Hill near the former Spyglass Quarry, and adjacent to 17-Mile Drive in the Spyglass Cypress planning area to be preserved through open space CSE conveyed to the Del Monte Forest Foundation. By increasing the size of the CSE, the Project will be more consistent with the LUP. As part of this approval, the Board amends Board Resolution no. 23-237 Condition No. 23 (BIO/MM-3.1), adjust the CSE size to 1.67 acres and provide that the CSE shall cover all restored areas.

Prior to issuance of construction permits, Applicant shall submit to the County of Monterey HCD – Planning, for its review and approval, a CSE exhibit (plat and legal description) that illustrates complete sand dune preservation where it is expected to be restored. The Deed shall allow habitat restoration; other resource dependent uses are permitted. The only deviations from such restrictions may be to repair existing sewer cleanouts and associated sewer pipes that are located in the area. The deed restrictions shall require any future work on the sewer cleanouts and associated piping to be monitored by a qualified biologist and all disturbance areas to be restored to central dune scrub habitat per the specifications put forth in Applicant's Dune Restoration Plan. Applicant/Owner shall record the approved easement reflecting compliance with the measure prior to issuance of the construction permit. (Condition No. 9).

l) Development within 750 feet of known archaeological resources. Pursuant to LUP Policy 58 and CIP section 20.147.080.B, an archaeological survey was prepared for PLN100338. The general surface reconnaissance on the subject parcel had results that were negative for resources, but the report's research found a known prehistoric site within 750 feet of the project site. A Coastal Development Permit is required for development within 750 feet of a known archaeological site was included in the Board of Supervisors' Resolution No. 23-237. Conditions applied to the previous permit (PLN100338) for potential impacts to archaeological resources required actions that have begun and will continue to be implemented, and no further mitigation is required. See

Finding 6 for discussion of (AR/MM-1.1), (AR/MM-1.2), (AR/MM-1.3) and (AR/MM-2.1).

m) Visual Resources. The property is in the viewshed area of 17 Mile Drive, as mapped in Figure 3 of the Del Monte Forest Land Use Plan. The property is visible from the public viewing area of Fanshell Beach. The proposed single-family dwelling is just below the crest of a hill. As discussed in Evidence "e," the height, flat roof, and use of natural colors and materials help blend the development into the surrounding environment (existing sand dune and trees around the site). LUP Policy 51 requires buildings developed on residential lots in the Visual Resources area to be "situated to allow the highest potential for screening from view." LUP Policy 56 urges design and siting of structures in scenic areas should not detract from scenic values and should be subordinate to, and blended into, the environment. Proposed colors and materials consist of light brown stucco, light brown stone cladding, gray gravel roofing, and black metal door and window frames.

The proposed design is consistent with these viewshed policies because of its natural colors and materials and flat roof, all of which reduce its prominence in the public viewshed and complement the natural scenic assets. Applicant has reduced the size of the residence from approximately the 8,290 to 7,690 square feet to better comply with the direction of the Board, and in doing so better comply with applicable LUP policies requiring new structures to be subordinate to the environment. The proposed size does not conflict with LUP Policy 51 because existing trees near the project site offer screening, and the trees proposed to be relocated will be sited near the structure. To further address viewshed policies, a Tree Planting and Protection Condition was applied to PLN100338 (Condition No.16). A 48-inch Cypress tree shall be planted near the house to increase the quality of screening of existing trees onsite. Condition No. 8 of this Resolution brings this forward.

As designed, the Proposed Project roofline will remain below the tree line behind and around it from all public vista points. Section 20.66.010 of the Coastal Zoning Ordinance requires a Coastal Development Permit for Ridgeline Development. Del Monte Forest Area CIP section 20.147.070(6) outlines the criteria for granting permits for new development that is silhouetted against the sky, or ridgeline development. No permit is required for ridgeline development in this case, based on staff review of the staking and flagging, Del Monte Forest Land Use Advisory Committee review of the project, and the attached updated Plans.

Although the Proposed Project is in a high visual sensitivity area, as sited, designed, and conditioned, it will not cause adverse visual impacts. DMF LUP Policy 48 states that development in visually prominent settings shall be sited and designed to avoid blocking or having a significant adverse impact on significant public views. Title 20, section 20.06.1275, defines "substantial adverse visual impact" as "a visual impact which, considering the condition of the existing viewshed, the proximity and duration of view when observed with normal unaided vision, causes an existing visual experience to be materially degraded." The proposed roofline will be 22 feet above Average Natural Grade (ANG) for approximately half of the elevation visible from 17 Mile Drive and Signal Hill Road. The other portion of the roofline will be 25.5 feet above ANG. Staff assessed the visual impacts of the Proposed Project on August 5, 2024. From 17-Mile Drive, the staking and flagging presented a new (replacement) structure that would be on the larger end of the array of structural massing of single-family dwellings currently permitted in the surrounding residential area. Staff found that the lowered height, flat roof, and use of natural colors and materials help blend the development into the surrounding environment (existing sand dune and trees around the site). Once constructed, and with adherence to mitigation measures for restoration of 1.67 acres of the site to natural sand dune vegetative community, the bulk and massing of the dwelling will not significantly alter the viewshed of the Pebble Beach neighborhood. The roofline will remain below the tree line behind and around it from all public vista points.

As redesigned in response to the July 8, 2025 public hearing, the Proposed Project does not present exceptional bulk or height beyond the existing and permitted dwellings within the public viewshed (Fanshell Beach and 17 Mile Drive locations). Staking and flagging was not visible from any other public viewing area due to trees in line of sight and distance. Therefore, the Proposed Project will not create a substantial adverse visual impact. All new exterior lighting shall follow the dark sky regulations required by Mitigation Measure Conditions applied to the previous permit (PLN100338) for potential impacts to aesthetics required actions that will be implemented and no further mitigation is required. See Finding 6 for discussion of AES/MM-3.1..

n) Site Visit. The project planner conducted a site inspection on August 5, 2024, to assess visual impacts and confirm site conditions for the project on the subject parcel.

o) Land Use Advisory Committee. Based on the Land Use Advisory Committee guidelines adopted by the Monterey County Board of Supervisors (Resolution No. 14-373), this application warranted referral to the LUAC because the

Proposed Project includes a Design Approval that requires a public hearing. The project was referred to the Del Monte Forest Land Use Advisory Committee (LUAC) for review on August 1, 2024, The LUAC voted 8 yeas, 0 noes to support the project as proposed prior to the redesign which reduced the size of the proposed project.

p) On April 30, 2025, the County of Monterey Planning Commission held a duly noticed public hearing and unanimously approved the Design Approval, Coastal Development Permit for three Cypress tree relocations, and Variance to front setback by a vote of 10 yeas - 0 noes (Planning Commission Resolution No. 25-012).

q) Pursuant to Title 20 sections 20.86.040 and 050, on May 23, 2025, Sam Reeves ("Appellant" and/or "Reeves"), represented by Lombardo and Associates, timely appealed the April 30, 2025, decision of the Planning Commission. The appeal challenges the Planning Commission's approval, contending that the hearing was not fair and impartial, the findings are not supported by the evidence and the decision was contrary to law. See Finding No. 10 (Appeal) for a summary of this appeal's specific contentions and the County's responses.

r) Pursuant to Title 20 sections 20.86.040 and 050, on May 27, 2025, Mimi Sheridan, representing the Alliance of Monterey Area Preservationists (AMAP), timely appealed the April 30, 2025, decision of the Planning Commission. The appeal challenges the Planning Commission's approval, contending that the findings are not supported by the evidence and the decision was contrary to law. See Finding No. 10 (Appeal) for a summary of this appeal's specific contentions and the County's responses.

s) Pursuant to Title 20 section 20.86.040 and 050, on May 23, 2025, Applicant, Massy Mehdipour ("Appealing Applicant" and/or "Mehdipour"), timely appealed the April 30, 2025 decision of the Planning Commission. The appeal challenges the Planning Commission's approval, contending that the hearing was not fair and impartial, the findings are not supported by the evidence and the decision was contrary to law. See Finding No. 10 (Appeal), Evidence "k" for a summary of this appellant's specific contentions and the County's responses.

t) The appeals were timely brought to hearing. Title 20 section 20.86.070 requires that the appeal authority hold a public hearing on an appeal within 60 days of receipt of the appeal, and the 60-day period can be extended if both appellant and Applicant agree to a later hearing date. The appellant and applicant/appellant agreed to a public hearing date of July 8, 2025, which was within the 60-day period.

u) A complete copy of the appeals is on file with the Clerk of the Board of Supervisors. The appeals are also attached with

itemized contention responses as Attachment C to the staff report for the July 8, 2025 Board of Supervisors hearing.

v) The Board of Supervisors heard testimony from the appellants, the Applicant, and the public on July 8, 2025. The Board also deliberated on the Proposed Project and decided to continue the hearing to date certain of August 26, 2025. The intention was for staff to return with a resolution that upheld appeals and directed the Applicant to return with a design that complied with their direction to stay within the footprint of the Connell House "as it was" and reduce the overall size of the proposed house. The Applicant caused a modified design to be prepared for consideration by the Board which removed "swapped" areas for development. By removing an exterior stairway (180 square feet) and eliminating the development within the previous patio (approximately 600 square feet), the square footage of the proposed new development is reduced by approximately 780 square feet. The revised design is within the footprint of the former Connell House. The height of the proposed residence was not changed, and it remains at a height that avoids ridgeline development. The revised design fully conforms to the description of Alternative 6 of the EIR. The modified Plans are attached to this resolution.

w) The Board of Supervisors conducted a duly noticed public hearing on the appeal and the project on July 8, 2025 and August 26, 2025. The hearing is *de novo*. Notice of the hearing was published in the Monterey County Weekly, notices were mailed and emailed to all property owners and occupants within 300 feet of the project site, and to all persons who requested notice; and three notices were posted at and near the project site.

x) The application, project plans, and related support materials submitted by the project applicant to County of Monterey HCD-Planning for the proposed development are found in Project File No. PLN240077.

2. FINDING: **SITE SUITABILITY –** The site is physically suitable for the use proposed.

EVIDENCE: a) As part of project review under PLN100338, the project was reviewed for site suitability by: HCD-Planning; Cypress Fire Protection Districts; HCD-Engineering Services; HCD-Environmental Services; and the Environmental Health Bureau. None of these departments/agencies has opined that the site is unsuitable for the proposed development. Conditions recommended by these departments and agencies were incorporated in the project Coastal Development Permit resolution (Board Resolution No. 23-237).

b) The EIR identified potential impacts to Aesthetics, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology, Seismicity, and Soils, Hazards and Hazardous Materials, Historical Resources, Hydrology and

Water Quality, and Noise, which could result from all components of the Project. All impacts other than those associated with the demolition of the Historical Resource are mitigated to a less-than-significant level. Historical Resource impacts have been mitigated, but not to a less than significant level.

c) The technical reports by outside consultants listed in the References of the Final EIR indicated that there are no physical or environmental constraints that would indicate that the site is not suitable for the use proposed. County staff has independently reviewed these reports and concurs with their conclusions.

d) The site designated for residential use. A residential structure has existed on the site since the 1950's. As proposed, residential use of the property would continue.

e) The project planner conducted a site inspection on August 5, 2024, to verify that the site is suitable for the proposed use.

f) The application, project plans, and related support materials submitted by the project applicant to the County of Monterey HCD-Planning for the proposed development are found in Project File Nos. PLN240077 and PLN100338.

3. FINDING: **HEALTH AND SAFETY -** The establishment, maintenance, or operation of the project will not under the circumstances of this particular case be detrimental to the health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood of such proposed use nor will it be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.

EVIDENCE:

a) All necessary public facilities are available to the Proposed Project. Water and sewer service will be provided by California American Water and the Carmel Area Wastewater District through the Pebble Beach Community Services District. The Environmental Health Bureau reviewed the project application and did not impose conditions pertaining to water, sewer, or solid waste. A water permit from the Monterey Peninsula Water Management District is required prior to the issuance of a building permit.

b) The Proposed Project includes construction of one structure designed for residential use. Emergency services are available. Building permits will be required to ensure the building is designed and built in accordance with California Building Standards. Geotechnical engineers have provided recommendations for the development that will be incorporated. Finally, there are no known hazards that may impact the health and safety of area residents.

c) The application, project plans, and related support materials submitted by the project applicant to the County of Monterey HCD - Planning for the proposed development are found in Project File PLN240077.

4. FINDING: **TREE REMOVAL** – The siting, location, size, and design has been established to minimize tree removal and has been limited to that required for the overall health and long-term maintenance of the property.

EVIDENCE:

a) Two Monterey Cypress trees will be relocated as part of this project. In accordance with the applicable policies of the Del Monte Forest Coastal Implementation Plan, (DMF CIP), a Coastal Development Permit is required; the criteria to grant said permit have been met.

b) Pursuant to section 20.147.050.B.1 of the DMF CIP, an Arborist Report and Forest Management Plan was prepared for the project (PLN100338; Planning Library Doc. No. LIB100394). The arborist report evaluated the health, structure, and preservation suitability for each tree within or adjacent to the proposed development. The report noted that two trees would be moved from the proposed building footprint to another location near the house. A qualified Arborist reviewed the original report and the currently proposed design and found it would require relocation of three Cypress trees and proposed to move these trees to a nearby location on the subject parcel. The trees are estimated to be 22, 16, and 4 inches in diameter.

One of the larger Cypress trees is in an area adjacent to the proposed foundation. The second is currently where a walkway is proposed. In the application, the Applicant had requested the relocation of the 4-inch diameter Cypress tree outside of the developed area as an accommodation to the construction work area. However, this Board concurs with the expert opinion of County HCD staff that the 4-inch diameter tree is isolated from the construction impact area. With protective fencing, it can be retained in the same location without interrupting construction. In accordance with the applicable policies of DMF CIP, a Coastal Development Permit is required for the two living trees which are within the construction footprint of the Proposed residence.

c) Cypress trees on the subject property were involved in Coastal Development Permit and Restoration Plan (Board Resolution No. 13-021 for PLN100418), approved for the subject parcel. This includes the 4-inch Cypress tree, which was the surviving tree that was replanted to comply with Board Resolution No. 13-021. Tree replanting and monitoring that was required by the 2013 resolution was partly incomplete, the bond was not completely returned to the permit holder, and replanting of a tree intended to replace the large tree removed from the west side of the house was subsequently incorporated into PLN100338. For these reasons, Condition No. 7 requires the relocation of trees allowed under this permit to be regulated per the conditions of Resolution No. 13-021, namely quarterly

monitoring of the replacement trees by a qualified arborist for 3 years and annual monitoring for an additional 2 years, replanting as needed. Arborist shall attend a preconstruction meeting and be present for relocations and any replacement tree planting. Failure to comply with replanting locations will result in a new code enforcement case pursuant to the Mitigation Monitoring and Reporting Program (Board Resolution No. 22-311).

d) The Proposed Project has been designed and sited to minimize the removal of protected trees to the greatest extent possible under the circumstances. Several native Monterey Cypress trees are to the north of the proposed construction site. Relocating the proposed dwelling and courtyard to the south or west would result in a more substantial amount of development on slopes exceeding 30 percent or on areas of sand dune habitat (ESHA). Relocating the dwelling to any location other than the previous dwelling footprint was not allowed in the entitlement for the Coastal Administrative Permit for the project pursuant to Board of Supervisors Resolution No. 23-237.

   As the Proposed Project is now within the previous foundation footprint, new construction would necessitate moving one Cypress tree from the courtyard area where a new foundation will be laid within a short distance from the trees' main roots. A walkway is proposed that would also impact the second Cypress immediately next to it. If the trees were to be retained rather than moved, they would likely suffer direct damage during construction and need to be replaced. Instead, survival is better ensured by requiring a certified Arborist to transplant the whole and undamaged trees prior to construction. Therefore, the criterion for a Coastal Development Permit that the minimum amount necessary to allow for the development is met. This conclusion is further supported by the retention of the 4-inch Cypress in the existing driveway area.

e) Measures for protection of trees during construction are incorporated as Condition No. 5. If transplanting or trimming of the existing trees for construction activities results in a declining or dead condition, Condition No. 7 requires a minimum of one-to-one onsite tree replacement with approval of a Coastal Development Permit.

f) The Cypress trees will be replanted near the proposed dwelling and/or other existing Cypress trees and not in the sand dune area required to be restored as sand dune habitat pursuant to Mitigation Measures required for the related development entitlements in PLN100338. (See Condition No. 8.)

g) Scenic visual resources will not be negatively impacted because the two trees proposed for replanting are behind the Connell House footprint and their new locations would be behind the proposed house, thereby only slightly altering the

viewshed. Condition No. 7 requires a qualified arborist to monitor the canopy to ensure the quality of screening is not reduced by more than 50 percent because of tree decline/trimming. Furthermore, the smallest of the trees proposed for replanting is retained; the relocation of two trees only slightly alters the viewshed.

h) One of the trees that was replanted in front of the Connell House pursuant to Planning Commission Resolution No. 13-021 failed after several replanting efforts and monitoring. Therefore, the related project PLN100338 brought forward the requirement of replanting of the tree in a similar location. Board Resolution No. 23-237, Condition No. 16 requires the owner/applicant to cause a 48-inch box Cypress tree to be planted in a location that will screen the new development when viewed from Fanshell Beach and 17-Mile Drive. The tree shall replace the large Monterey Cypress tree that was previously removed from the property and was not successfully replanted per the after-the-fact Planning Permit (PLN100418, Reso. No. 13-021) to clear a code violation for tree removal (CE090788). (This tree planting was not illustrated in the attached Tree Relocation and Protection Plan. When a landscaping plan is provided for condition compliance on the PLN100338, the location of all trees proposed for planting and replanting will be shown.)

i) The previous arborist report for PLN100338 found the Cypress trees proposed for relocation were previously planted and were not considered part of the "Cypress Forest" designated as an Environmentally Sensitive Habitat in the Del Monte Forest area. No significant long-term effects on the forest ecosystem are anticipated. The Proposed Project will not significantly reduce the availability of wildlife habitat over the long term as the site has surrounding forested areas that are to remain untouched.

j) Staff conducted a site inspection on August 5, 2024 to verify that the tree removal is the minimum necessary for the Proposed Project.

k) The application, plans, and supporting materials submitted by the project applicant to County of Monterey HCD-Planning for the proposed development are found in Project File No. PLN240077. Reference also Project File Nos. PLN100338 and PLN100418.

5. FINDING: **VIOLATIONS –** The subject property complies with all rules and regulations pertaining to zoning uses, subdivision, and any other applicable provisions of the County's zoning ordinance. No violations exist on the property.

a) Staff reviewed County of Monterey HCD records and is not aware of any violations existing on the subject property. The site is currently clear of debris from the previously removed structure and has erosion controls in place where the residence

had been. Natural and disturbed vegetation is also present on the parcel.

b) The project planner a conducted a site inspection on August 5, 2024, to verify that no violations exist on the property.

c) The application, plans, and supporting materials submitted by the project applicant to the County of Monterey HCD-Planning for the proposed development are found in Project File No. PLN240077.

6. FINDING: CEQA (CONSIDER PREVIOUSLY CERTIFIED FINAL EIR, RECIRCULATION NOT WARRANTED) – Public Resources Code section 21080(d) and California Environmental Quality Act (CEQA) Guidelines section 15064(a)(1) require a project to undergo environmental review if the lead agency finds that, in light of the whole record before it, there is substantial evidence that the project may have a significant effect on the environment. The County prepared a Final EIR dated October 2022 for PLN100338. The Final EIR responded to comments received during the Draft EIR circulation period of August 22, 2018 to October 12, 2018. Through adoption of Resolution No. 23-236, the Board of Supervisors certified the Final EIR. Pursuant to CEQA Guidelines section 15162, when an EIR has been certified, no subsequent EIR shall be prepared for the project unless the agency determines that substantial changes are proposed, or substantial changes occur with respect to the circumstances under which the project is undertaken.

EVIDENCE: a) Permit PLN100338 was granted subject to 42 conditions of approval that run with the land (condition number 31 was removed by the Board action and is still enumerated without condition requirements, as "reserved"). The applicant has complied with all the measures and conditions of PLN100338 in timely fashion pursuant to the recorded Mitigation Monitoring and Reporting Plan Agreement (Document No. 2023029686).

b) The previous single-family dwelling was recognized as an Historic Resource at the State and Federal level, but not the local level (Monterey County Code Chapter 18.85 requires owner agreement to local listing). Although the EIR found impacts to Historic Resources to be significant with mitigation measures applied, the Board supported demolition in this case and found that there was sufficient evidence to support a Statement of Overriding Consideration (Resolution No. 23-237). Mitigation Measures for Historic Resources were applied to PLN100338, including HR/MM-1.1 (Historic American Buildings Survey) and HR/MM-1.2 (Connell House Web Page), both of which have been complied with prior to the hearing for PLN240077.

c) Issues that were analyzed in the EIR include Aesthetics, Agricultural Resources, Archaeological Resources, Air Quality

and Greenhouse Gases, Biological Resources, Geology, Seismicity, and Soils, Hazards and Hazardous Materials, Historical Resources, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Noise, Paleontological Resources, Population and Housing, Public Services, Utilities, Recreation, and Transportation and Traffic. The EIR identified potential impacts that would be less than significant or could be mitigated to a less than significant level associated with all topics, except impacts to Historical Resources, which cannot be mitigated to less than significant levels if a project that involved demolition is chosen. As described in these findings and in the EIR, mitigation measures that avoid or substantially lessen the impacts to Aesthetics, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology and Soils, Hazards and Hazardous Materials, Hydrology and Water Quality, and Noise have been incorporated. For the impact identified as significant and unavoidable, all feasible mitigation measures have been incorporated, but even with such mitigation, the impacts remain significant.

d) The subject property contains coastal dune habitat and wetland habitat. In accordance with CIP section 20.147.040.B, a Biological Resource Assessment and Supplemental Biological Resources Assessment was prepared (Michael Zander, June 8, 2010 and June 23, 2011, HCD Library File No. LIB100396). Based on those reports, potential impacts were evaluated in the project EIR. The EIR recommended restoration actions for the original project scope, which was a much larger house that was found to have direct and indirect impacts on biological resources. The EIR found that the Reduced Project Alternative would not impact a significant amount of ESHA. Thus, Board Resolution Nos. 23-236 (EIR) and 23-237 (Approval of a conceptual Reduced Project Alternative) found BIO/MM-3.9 (Offsite restoration of sand dune habitat) extraneous, and both it and its monitoring action BIO/MMA-3.9.1 were removed.

   A Coastal Administrative Permit was approved with voluntary restoration of approximately 1.67 acres of sand dune habitat on the project site and monitoring the restoration success for five years. Mitigation measures applied to the Combined Development Permit (PLN100338) accomplish the restoration and avoidance of impacts to biological resources through BIO/MM-2.1 (Restoration Monitor Funding Agreement), BIO/MM-2.2 (Environmental Awareness Training), BIO/MM-2.3 (Surveys for California Legless Lizard and Other Reptiles), BIO/MM-2.4 (California Legless Lizard Best Management Practices, “BMPs”), BIO/MM-2.5 (Nesting Bird Survey and Buffer Zone), BIO/MM-2.6 (Active Bird Nest Buffer), BIO/MM-3.1 (Conservation and Scenic Easement), BIO/MM-3.2 (Dune Restoration Plan Bond), BIO/MM-3.3 (Monitoring

Contract), BIO/MM-3.4 (Fencing that Excludes Adjacent ESHA), BIO/MM-3.5 (Stockpiles and Staging Areas BMPs), BIO/MM-3.6 (Control Stormwater or Wastewater Outfall), BIO/MM-3.7 (Plant Species Landscape Plan), BIO/MM-3.8 (Landscape Plan Substrates), BIO/MM-4.1 (100-FT Buffer Zone from Juncus Articus Herbaceous Alliance Vegetation), and BIO/MM-4.2 (Coastal Wetland Perimeter Flagging). Conditions applied to the previous permit (PLN100338) for potential impacts to biological resources required actions that have begun and will continue to be implemented. See also Finding 6, Evidence "f."

e) The subject property is in a high archaeological resource sensitivity area. In accordance with CIP section 20.147.080.B, a Phase 1 Archaeological Report was prepared (Doane and Breschini, February 2, 2012, HCD Library File No. LIB100397). Due to the project's proximity to known archaeological and tribal cultural resources, the EIR prepared for PLN100338 recommended measures for avoidance of impacts on cultural and tribal cultural resources. The development entitled under PLN100338 included Mitigation Measures that required archaeological resource/artifact training for construction personnel (AR/MM-1.1), an onsite archaeological monitoring plan to be developed (AR/MM-1.2) with active monitoring (AR/MM-1.3) and directed action if human remains are exposed during construction (AR/MM-2.1). Conditions applied to the previous permit (PLN100338) for potential impacts to cultural and tribal cultural resources required actions that will be implemented; no further mitigation is required.

f) As described in Finding 10, Evidence "k," the Applicant appealed the decision by the Planning Commission to augment the Conservation and Scenic Easement (CSE) from Board of Supervisors Reso. No. 23-237 Condition No. 23 to an easement on every square foot of sand dune and landscaping on the parcel (up to the building/driveway). Condition No. 23 was for a CSE to be required on the restored area of the parcel in 2:1 ratio to the area impacted by development (including construction impacts). As described in Finding 1, Evidence "k," the Applicant offered to update Condition No. 23 to a CSE that would cover all the areas proposed for dune scrub restoration as shown in Figures 2-3 and 4.2-2 of the EIR, 1.67 acres of the subject parcel. The enlargement of the CSE Deed (CSED) to the whole restoration area would ensure long term protection of sand dune ESHA.
By updating the size of the CSED to 1.67 acres, Mitigation Measure BIO/MM-3.1 identified by the EIR for Full-sized Project is utilized by this permit decision and therefore recirculation is not required.

g) Mitigation Measures applied to PLN100338 include those mentioned above for Biological Resources, Aesthetics,

Archaeological and Tribal Cultural Resources, as well as for Air Quality (AQ/GHG/MM-1.1 and AQ/GHG/MM-1.2), Geology and Soils (GEO/MM-1.1), Hazards and Hazardous Materials (HAZ/MM-1.1, HAZ/MM-1.2 and HAZ/MM-1.3) Hydrology and Water Quality (HYD/MM-1.1 and HYD/MM-2.1) and Noise (NOI/MM-1.1).

h) The Proposed Project is consistent with the FEIR. No new review is needed. None of the conditions described in section 15162 that would trigger preparation of a subsequent EIR have occurred. No new information of significant impacts or exacerbated existing impacts has been presented. Moreover, the EIR analyzed the potential impacts of residential development of the lot including removal of several trees and up to 10,008 square feet of structural and hardscape improvements. The Proposed Project includes approximately 6,340 square feet of structural and hardscape improvements and relocation of two trees.

i) The EIR examined eight alternatives and one "no project" alternative to the original project and evaluated them separately, comparing their potential impacts to those of the originally proposed project. This Design Approval is the Reduced Project alternative, Alternative 6. The Proposed Project design is smaller than the project considered in the EIR prepared for PLN100338 in all ways. The original project was 11,933 square feet and two stories with 1,950 square feet of paved areas for a total impervious lot coverage of 10.6 percent. The proposed design lessens building site coverage from 8,058 square feet (8.5 percent) to 4,122 square feet (4.4 percent), lessens Floor Area Ratio from 11,933 square feet (12.6 percent) to approximately 7,690 square feet (8.15 percent), and decreases the combined pervious and impervious coverage by 36 percent (from 10,008 square feet to approximately 6,340 square feet).

   The original project's maximum height was 30 feet from Average Natural Grade (ANG), while the PLN240077 proposed height is a flat roof that reaches 22 and 25.5 feet from ANG. This Project's proposed maximum height is 4.5 feet less than the original project considered in the EIR. Ridgeline Development was discussed in the EIR in relation to the original project and the alternatives. As discussed in the EIR, the ridgeline effect that would potentially occur under the reduced alternative project is minimized by a reduced roofline. The EIR did not specify by how much the roofline would be reduced for Alternative 6 but stated that the height would need to avoid ridgeline effects. The proposed height will avoid "ridgeline development" as verified by staff at a site inspection on August 5, 2024. Therefore, the Proposed Project meets the EIR's description of a Reduced Project Alternative to the original project.

8. FINDING: **PUBLIC ACCESS** – The Proposed Project conforms with the public access and recreation policies of the Coastal Act (specifically Chapter 3 of the Coastal Act of 1976, commencing with Section 30200 of the Public Resources Code) and applicable Local Coastal Program, and will not interfere with any form of historic public use or trust rights.

EVIDENCE:

a) No public access is required as part of the Proposed Project, as no substantial adverse impact on access, either individually or cumulatively, as described in Del Monte Forest Area CIP section 20.147.130, can be demonstrated.

b) No evidence or documentation has been submitted or found showing historic public use or trust rights over this property.

c) The subject property is not in an area in which the Local Coastal Program requires physical public access (Figure 8, Major Public Access and Recreational Facilities, in the Del Monte Forest Area LUP).

d) The subject project parcel is in an area where the Local Coastal Program requires visual public access (Figure 3, Visual Resources, in the Del Monte Forest Area LUP) and CIP 20.147.070.

e) Based on the project location among large trees, more planned vegetative screening, planned restoration of sand dune habitat, and its topographical relationship to most visual public access points in the area, the development proposal will not interfere with visual access along 17-Mile Drive or from Point Lobos. The proposed design is consistent with CIP section 20.147.070.B.5, in that the placement is on the least visible portion of the property (from 17 Mile Drive) and that it utilizes non-invasive native vegetation to help provide visual compatibility with the area. Consistent with Del Monte Forest Area LUP Policies 123 and 137, the proposed development, as mitigated and conditioned, will neither block significant public views toward the ocean nor adversely impact the public viewshed or scenic character in the project vicinity.

f) In certifying the Final EIR, the Board of Supervisors concluded, in concept, that Alternative 6 (Reduced Project) avoids significant adverse impacts on public views and the scenic character (Board Resolution No. 23-236).

g) The application, plans, and supporting materials submitted by the project applicant to County of Monterey HCD-Planning for the proposed development are found in Project File No. PLN240077.

9. FINDING: **VARIANCE –** The Board of Supervisors finds that this project is a Design Approval in conformance with the Alternative 6 Reduced Project concept approved with a Combined Development Permit by the Board of Supervisors with Resolution No. 23-237. By adhering to the direction of the Board to remain within the building footprint of the Connell House, the

project is constructed within the 30-foot front setback. Therefore, a variance to Coastal Zone Low Density Residential (LDR) setback regulations (Title 20 section 20.14.060) is necessary and was requested. Title 20 section 20.78.040 sets forth three criteria to grant a variance: 1) that, because of special circumstances strict application of zoning rules would "deprive" the property "of privileges enjoyed by other properties in the vicinity and under identical zoning classifications"; 2) granting the variance would not "constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity" and zoning district; and 3) granting the variance would not authorize a use or activity "not otherwise expressly authorized by" applicable zoning. Here, as set forth below, these criteria are met.

EVIDENCE:

a) Special circumstances apply to the subject parcel, as the parcel is entirely within sand dune in the Signal Hill enclave of the Del Monte Forest planning area. If the project were to be sited entirely out of the front setback, it would convert additional sand dune to development. Sand dune is environmentally sensitive habitat area (ESHA), as discussed in the project EIR and related project Board of Supervisors Resolution Nos. 23-236 and 23-237. Requiring the project to adhere to a 30-foot front setback would conflict with this, a special project circumstance satisfies Title 20 section 20.78.040's first criterion required to obtain a variance.

b) The granting of this Variance does not constitute a special privilege for the property owner inconsistent with the limitations upon other properties in the vicinity and zoning district because the requirement to build within the building footprint of the Connell House was Board of Supervisors direction to the property owner/developer. The property owner was prepared to reconstruct within the required yard regulations. The Board's direction could have been a limitation on any property in the Signal Hill enclave of Del Monte Forest planning area.

c) The proposed single family dwelling is a use allowed in the LDR Zoning District. This Variance applies to the front setback for an allowed use and does not authorize a use that is inconsistent with the LDR zoning district. This satisfies Title 20 section 20.78.040's third criterion required to obtain a variance.

10. FINDING: **APPEAL –** Pursuant to County of Monterey Code section 20.86.030, Sam Reeves, AMAP, and Massy Mehdipour separately and timely appealed the Planning Commission's April 30, 2025 decision approving the Design Approval, Coastal Development Permit, and Variance. Upon consideration of the written and documentary evidence, the staff report, oral testimony, other evidence presented, and the administrative record as a whole, the Board finds some merit to the Reeves and AMAP contentions. The Board also finds the Mehdipour appeal to have merit. The Board's reasoning and response to the

summarized contentions follows. Copies of the appeals and itemized responses prepared by staff, but which the Board hereby adopts and incorporates into this Resolution, are Attachment C to the staff report for the July 8, 2025, and August 26, 2025 Board of Supervisors hearings.

EVIDENCE: a) Appellant Reeves contends that Applicant and staff made numerous misstatements of the fact in the application, concerning past actions, and as to the Board's decision; these Appellants remarked on the perceived misstatements and contend that they were not corrected as part of the Planning Commission hearing.

County's response: Staff has corrected an error in calculations of the square footage of neighborhood homes in the staff report and presentation for the July 8, 2025 hearing. The history of tree removal and the proposed tree relocation were also clarified and addressed (See Finding 4).

b) Appellants Reeves contends that public comment during the hearing was not memorialized in Finding 1.

County's response: The appellant is correct. Post-hearing edits should have been made. This hearing is *de novo* and testimony received in the hearing will be noted in the final resolution.

c) Appellants Reeves and AMAP contend that there are numerous factual errors in the Resolution, including the following bulleted items:

- Finding 1, b equated the proposed project with Alternative 6, and the appellant found that not to be correct, based on a line taken from the Combined Development Permit Board Resolution No. 23-037 [*sic*] Finding 1.

County's response: This contention has some merit. The Board decision in June of 2023 (Resolution No. 23-237 stated, in relevant part:

"4) *Approve a Coastal Development Permit for the "Reduced Project" (Alternative 6 of the Final EIR) consisting of:*
a) Coastal Administrative Permit to allow the demolition of an existing 4,124 square foot single family residence;
b) Coastal Administrative Permit for the construction of a new single-family residence of similar size, in concept, as the existing residence;
c) Coastal Development Permit to allow development within 100 feet of environmentally sensitive habitat;
d) Coastal Development Permit for development on slopes exceeding 30 percent;
e) Coastal Development Permit for development within 750 feet of a known archeological resources;"

The description of Alternative 6 of the EIR describes a new residence that is in the "footprint" of the former Connell House and that is at a height that does not result in "ridgeline development." Subjection b

of the action describes “construction of a new single-family residence of a similar size as the existing residence.”

The decision in the 2023 Board Resolution references the Reduced Project Alternative from the EIR. This Alternative was chosen to reduce impacts on Environmentally Sensitive Habitat (native sand dune) by keeping the new house footprint in the footprint of the Connell House and it reduces Visual Impacts by limiting the height of the new house so that the new house would not be considered “ridgeline” development. The description of the Coastal Administrative Permit for the new house being of a similar size to the existing house was “in concept” and the driving factors were avoidance and minimization of impacts on the resources as described in the Reduced Project alternative.

The house design reviewed by the Planning Commission was not in the exact footprint of the Connell House. Instead, the Applicant proposed to develop the front courtyard area in exchange for leaving an area that will be left undeveloped in the rear yard. The front courtyard of the Connell House had a paved patio and landscaping flanked on three sides by the U-shaped house (the front courtyard). The Applicant proposed to fill in the front courtyard which included an area that was covered by a concrete patio (hardscape) and an additional area beyond the patio. In exchange for adding to the footprint in the courtyard area, the Applicant proposed to leave a smaller area of the northwest corner and area adjacent to the former courtyard of the Connell House footprint undeveloped.

On July 8, 2025, the Board of Supervisors considered the proposed project and the appeals of the Planning Commission’s approval. At the conclusion of the hearing on July 8, 2025, the Board continued the hearing to August 26, 2025 with direction to staff to prepare a resolution reiterating the June 27, 2023 decision.

After the July 8, 2025 Board hearing, the applicant submitted a revised design with a request that this revised design be considered by the Board as an alternative to the motion of intent approved on July 8. The revised design eliminates portions of the prior proposal that were not within the footprint of the Connell House and slightly reduces the size of the new home. The new design is within the footprint of the former Connell House and is consistent with the description of Alternative 6 of the EIR.

Past references to the size of the Connell house in the EIR and the Board Resolution 23-237 indicated that the house was 4,124 square feet in size. It is acknowledged that the size quoted in those documents were estimates based on information available

at the time. No survey of the existing house was available as the basis for these estimates. Submitted with the application for the new house was a plan prepared by Whiston Engineers showing the footprint of the Connell House to be 4,630 square feet. Staff reviewed the plans and determined that this calculation appears to include the footprint of the house from a bird's eye view which includes roof overhangs and decks. The prior estimate of square footage was based on the size of the Connell House, not including roof overhangs and decks, so two different things were being measured. However, the Board finds this contention has merit and, therefore, requires the proposed design be modified to further reduce development.

Submitted with the recent resubmittal for the new house Design Approval is a plan prepared by Whiston Engineers showing the footprint of the Connell House to be 4,910 square feet. Staff has reviewed the supporting evaluation by Whitson with the proposed plans and determined that this calculation appears to include the structural footprint of the house, including the lower level of the Connell House.

- Staff presented a new structural footprint, not the same structural footprint of the Connell House.

County's response: The previously proposed structure included a footprint that extended beyond the footprint of the Connell House in the front courtyard area. The proposal involved occupying the area within the front courtyard in exchange for leaving sections of the former house footprint undeveloped, primarily in the rear (northwest) corner. The applicant requested the ability to exchange the area of development to accommodate a new house design that is not exactly the same as the former U-shaped house design. The Board gave the Applicant stronger direction to stay within the structural footprint in the July 8, 2025 hearing. Therefore, this appeal contention has some merit.

- Finding 1, Evidence l: "the height, flat roof, and use of natural colors and materials help blend the development into the surrounding environment (existing sand dune and trees around the site)." LUP Policy 51 is described, and the Proposed Project is discussed as if it is consistent with the policy. Appellant argues the evidence is to the contrary because the Proposed Project is larger than existing dwellings in the Signal Hill enclave.

County's response: Finding 1, Evidence "m" includes straightforward clear statements, no changes are required. The siting and use of colors, materials, and landscaping will meet LUP Policy 51. LUP Policy 51 does not require new

construction to match other construction in the area. The project is situated where the Board required it to be sited.

Additionally, the County certified an EIR for the project, discussed the potential impacts to Aesthetic Resources, and concluded that the project, as mitigated by habitat restoration and permanent maintenance and tree replacements, would result in a less-than-significant impacts.

- County mistakenly identified two trees in front of the house as significantly pruned trees, which were part of the violations which PLN100418 addressed. The relocation of T4, TS, and T12 will not screen the view of this project from the common public viewing areas of Seventeen Mile Drive and Fanshell Beach.

County response: There are two different tree removal/relocation permits at issue.

First, in 2009, a code enforcement case (CE090288) was initiated as a result of applicant's unpermitted tree removal of 2 large Cypress trees. To address that code enforcement case, a Tree Resource Evaluation/Construction/Impact Analysis was prepared by a certified arborist in October 2010 (LIB100394). The report evaluated the eight trees on the site (7 Cypress and 1 Eucalyptus) and documented that two Cypress trees were removed without a permit. Additionally, in December 2011, the arborist documented a cluster of three Cypress trees that had been "excessively pruned" and recommended a 5-year monitoring period for survivability of those trees. On February 5, 2013, the Board of Supervisors approved an after-the-fact permit for the tree removal and required restoration of the site, replanting 2 large Cypress trees to screen the house from views, and monitoring of the trimmed trees, as a condition of approval of that permit (Resolution No 13-021).

The applicant replanted the trees as required by the condition. One of the replacement trees, located west of the house, did not survive. That tree is required to be replanted again and monitored in accordance with the approved conditions. A second tree was replanted is south of the proposed house near the existing driveway. That tree survived and is alive today, however, that tree was also proposed to be relocated approximately 20 feet south with the application. Staff with expertise in the field found that the previously replanted tree did not need to be relocated, and the Applicant agreed to protect it in place. The trees that were trimmed have been monitored and have survived. The trimmed trees are subject to the conditions imposed as part of Resolution No 13-021 and are not the subject of the proposed new house design.

Included in the permit now before the Board (PLN240077), Applicant proposes to relocate two trees as part of the new construction. The two trees proposed for relocation would be moved a few feet from their current location (in the front yard) so that they would continue to provide screening when viewed from Signal Hill Road and they will still provide a tree-lined backdrop to the house when viewed from 17 Mile Drive.

d) Appellant Reeves contends that was a factual error in the Resolution in Finding 6. Evidence b, which discussed the historic status of the Connell House. The appellant would prefer the evidence to clarify the reason that the house was not listed locally.
County response: The County Code does not allow the Historic Resources Review Board to list an historic resource on the County's local register without property owner permission. The evidence does not misconstrue the establishment of the Connell House as an historic resource at the levels that it was listed. This point is irrelevant to the decision at hand. Demolition of the Connell House was evaluated in the EIR, approved by the Board of Supervisors, and the house has been demolished.

e) Appellant Reeves contends that County should not have decided on a variance without noticing a variance as requested as part of the entitlements sought by the project and reviewed at the hearing.
County's response: Staff acknowledges that no notice was given for consideration of a variance by the Planning Commission. The request for a variance has been included as part of the notice for the Board hearings on these appeals. The variance is justified in this case because the Board of Supervisors, in adopting a resolution to conceptually approve a new house that reflects Alternative 6 of the EIR, limited the new development to occur within the footprint of the former residence. The footprint of the former residence was non-conforming to front setback requirements and rebuilding a home in the footprint would include new construction within the required front setback.

Additionally, new development within the footprint of the previous development limits impacts on sensitive habitat that would occur if the house was required to comply with the front setback requirements.

f) Appellants Reeves and AMAP contend that the project is inconsistent with the policies of the DMF LCP, particularly relating to visual resources.
County's response: The project has been reviewed and found to be consistent with the policies of the Del Monte Forest Land Use Plan.

g) Appellants Reeves and AMAP contend that the action of the Planning Commission fails to recognize that the Applicant failed to comply with the prior action by the Board of Supervisors for

PLN100418 to plant and maintain Monterey Cypress trees to screen the property from Seventeen Mile Drive and Fanshell Beach.
County's response: The contention raises an issue with tree removal that has been resolved through subsequent permitting and has ongoing condition compliance and monitoring requirements. The evidence in the condition compliance record for PLN100418 in the form of tree status reports prepared by a qualified arborist indicate that replacement trees failed due to fungus infections, not due to deliberate removal of healthy trees. The conditions of approval on that restoration permit included replanting in the case of tree failure. The Board applied Condition No. 16, Tree Replanting and Protection, which requires the owner to

". . . cause a 48-inch box Cypress tree to be planted in a location that will provide screening of the new development when viewed from Fanshell Beach and 17-Mile Drive. The tree shall replace the large Monterey Cypress tree which was previously removed from the property and was not successfully replanted per the after-the-fact Planning Permit (PLN100418, Reso. No. 13-021) to clear a code violation for tree removal (CE090788)."

This condition was discussed in the Planning Commission hearing on PLN240077, during Commission deliberations. The tree was not drawn into the arborist's tree replacement. The tree relocation and protection plan submitted with the PLN240077 application is different, as this arborist (James Allen) was contracted to assess tree relocations related to this permit. However, when the final landscaping plan is received pursuant to conditions of approval of PLN100338, all relocation and replanting shall be included in the plan for review and approval.

h) Appellant Reeves contends that the decision of the Planning Commission as described in Resolution 25-012 is contrary to the 2023 findings and decision of the Board of Supervisors: "Finding 1, evidence i: The Reduced Project is anticipated to be no taller or larger than the existing dwelling. A Design Approval shall ensure that colors and materials will blend with the natural surroundings."
County response: This comment is essentially the same as appellant's contention listed as the second bullet in Finding 10, evidence "c." The consistency findings of the draft Board Resolution for PLN240077 are supported by substantial evidence.

i) Appellants Reeves and AMAP contend that the Proposed Project is too tall. Specifically, Reeves contends that the Proposed Project is not the height that was mentioned in the 2023 findings and decision of the Board of Supervisors in Finding 1, evidence m: "Maximum allowable height is 30 feet, and the Reduced Project maximum height is anticipated to be

approximately 22 feet from average." At 25.5' above natural grade it is higher than the 22' above natural grade described in the FEIR, staff reports and Board resolution. With a 30' high frontal view from Seventeen Mile Drive, it is 8 feet higher than the approximate 22' high frontal view of the Connell House.

County Response: This finding "anticipated" a height because no plans then existed. That language was not a constraint on Applicant. Rather, the new design has been reviewed for consistency with the adopted Local Coastal Plan regulations, the description of the reduced project alternative (Alternative 6) in the EIR, and the Board's direction to stay within the footprint of the Connell House. Alternative 6 was compared to the original house design which included a 11,993 square foot single-family dwelling. As a 7,690 square foot two-story single-family dwelling inclusive of a two-car garage, the new design is reduced in size from the original project. The proposed design is also approximately 4.5 feet shorter (25.5 feet tall) than the original design (30 feet tall). The proposed height will avoid "ridgeline development" which is the standard for measuring height in the "reduced project" Alternative, not a comparison with the height of the now demolished Connell House.

Ridgeline Development was discussed in the EIR in relation to the full height project and the alternatives. As discussed in the EIR, the ridgeline effect that would potentially occur under the reduced alternative project is minimized by a reduced roofline. The EIR did not specify by how much the roofline would be reduced for Alternative 6 but stated that the height would need to avoid ridgeline effects. The Reduced Height Alternative (9) entailed a maximum height of 25 feet from ANG to avoid ridgeline effects. The PLN240077 project design is approximately the same height as the Reduced Height Alternative. At 4.5 feet less than the original project's maximum height from ANG, any aesthetic impacts due to project height are mitigated by design, consistent with the EIR.

PLN240077 draft plans demonstrate most roof heights in the new design at approximately 22 feet ANG, with a great room reaching approximately 25.5 ANG. The view from Signal Hill Road is shown in the east elevation of the plans attached to the Board Resolution. From Signal Hill Road, the structure will appear to be 17.5 feet in height (a single-story development). The view from 17 Mile Drive is shown in the west elevation; the appellant is correct that the façade at its highest point would appear to be 30 feet high. However, County zoning codes measure from ANG and, in this case, the project design is approximately 4.5 feet less than the maximum allowable height from ANG.

j) Appellants Reeves and AMAP contend that the plans do not incorporate the replacement of trees required by the Board of Supervisors in their decision January 2013 decision on PLN100418.
County response: The contention is acknowledged. The Board finds that the replanted tree, which was required to be planted near the existing driveway by PLN100418, does not require relocation. The tree shall be retained. This is the tree that was required to be planted in accordance with the Board's prior decisions. The other tree that was required to be replanted was replanted, but did not survive. As required by the conditions of the prior approval, that tree must be replaced and monitored for survivability pursuant to the prior approvals. Neither that prior approval nor the second tree is proposed to be modified as part of this permit. Therefore, there was no need for the plans or conditions for the current proposal to incorporate prior tree planting that will be done on the property in relation to previously approved Board Resolution No. 23-237 and its conditions.

k) Appellant Mehdipour contends that Condition 10 of the Planning Commission resolution on PLN240077 was improperly modified without public noticing of the action. Appellant claims that it was not fair or impartial for Commissioners to suggest revising the Board's Resolution after public and applicant comment periods were closed, and that the Planning Commission lacked authority to contradict the Board's decision. Finally, Applicant maintains that the Planning Commission infringed on her rights by not returning to ask if they accepted the new easement.
County response: By attempting to enforce what the Commissioners saw as a closer consistency with the LUP, the Planning Commission purported to override an existing condition of approval that was approved by the Board. The Planning Commission has no authority to take that action. The purview of the Planning Commission was limited to reviewing the Project to satisfy Board direction and Design District/LUP criteria. Furthermore, it came up after the public hearing was closed and Applicant should have been allowed to respond to the addition. Finally, amendment to conditions of approval of PLN100338 was not agendized. For these reasons, the appeal by Applicant is upheld.

l) Coastal Commission. Pursuant to Title 20, section 20.86.080.A, the project is subject to appeal by/to the California Coastal Commission because it involves development between the sea and the first through public road paralleling the sea (i.e., State Route/Highway 1).

DECISION

NOW, THEREFORE, based on the above findings and evidence and the administrative record as a whole, the Board of Supervisors does hereby take the following actions:

1) Partially uphold the appeals by Samuel Reeves and the Alliance of Monterey Area Preservations from the April 30, 2025 Planning Commission decision approving the Design Approval;
2) Uphold the appeal by Massy Mehdipour, Applicant, from the April 30, 2025 Planning Commission decision approving the Design Approval with Condition No. 10;
3) Consider the previously certified Final Environmental Impact Report (FEIR) (SCH#2015021054) for the Signal Hill LLC project, and find that the Proposed Project is consistent with Alternative 6 of the FEIR and does not warrant an addendum pursuant to CEQA Guidelines section 15162;
4) Approve a Design Approval for construction of an approximately 7,690 square foot two-story single-family dwelling inclusive of a two-car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof that fulfills the requirements of the "Reduced Project," Alternative 6 of the Final EIR;
5) Approve a Coastal Development Permit to allow the relocation of two Cypress trees;
6) Approve a Variance for structural development in front setback; and
7) Amend Condition No. 23 of Resolution No. 23-237 to increase the conservation scenic easement for the project to 1.67-acre area (Condition No. 9).

All work must be in general conformance with the attached plans, and this approval is subject to 9 conditions of approval, all being attached hereto and incorporated herein by reference.

PASSED AND ADOPTED this 26th day of August, 2025, upon motion of _____ seconded by _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

COPY OF THIS DECISION MAILED TO APPLICANT ON _____.

THIS PROJECT IS LOCATED IN THE COASTAL ZONE AND IS APPEALABLE TO THE COASTAL COMMISSION. UPON RECEIPT OF NOTIFICATION OF THE FINAL LOCAL ACTION NOTICE (FLAN) STATING THE DECISION BY THE FINAL DECISION-MAKING BODY, THE COMMISSION ESTABLISHES A 10 WORKING DAY APPEAL PERIOD. AN APPEAL FORM MUST BE FILED WITH THE COASTAL COMMISSION. FOR FURTHER INFORMATION, CONTACT THE COASTAL COMMISSION AT (831) 427-4863 OR AT 725 FRONT STREET, SUITE 300, SANTA CRUZ, CA.

This decision, if this is the final administrative decision, is subject to judicial review pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6. Any Petition for Writ of Mandate must be filed with the Court no later than the 90th day following the date on which this decision becomes final.

NOTES:

1. You will need a building permit and must comply with the Monterey County Building Ordinance in every respect.

   Additionally, the Zoning Ordinance provides that no building permit shall be issued, nor any use conducted, otherwise than in accordance with the conditions and terms of the permit granted or until ten days after the mailing of notice of the granting of the permit by the appropriate authority, or after granting of the permit by the Board of Supervisors in the event of appeal.

   Do not start any construction or occupy any building until you have obtained the necessary permits and use clearances from County of Monterey HCD-Planning and HCD-Building Services offices in Salinas.

2. This permit expires 3 years after the above date of granting thereof unless construction or use is started within this period.

County of Monterey HCD Planning

DRAFT Conditions of Approval/Implementation Plan/Mitigation Monitoring and Reporting Plan

PLN240077

1. PD001 - SPECIFIC USES ONLY

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: This Design Approval, Coastal Development Permit and Variance (PLN240077) allows construction of a 7,690 square foot two-story single family dwelling inclusive of a two car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof that fulfills the requirements of the "Reduced Project" Alternative 6 of the Final EIR, relocation of two Cypress trees, a Variance for structural development within the front setback, and amends Condition No. 23 of PLN100338 to enlarge the conservation scenic easement to the 1.67 acre restoration area. The property is located at 1170 Signal Hill Road (Assessor's Parcel Number 008-261-007-000), Del Monte Forest Land Use Plan. This permit was approved in accordance with County ordinances and land use regulations subject to the terms and conditions described in the project file. Neither the uses nor the construction allowed by this permit shall commence unless and until all of the conditions of this permit are met to the satisfaction of the Director of HCD - Planning. Any use or construction not in substantial conformance with the terms and conditions of this permit is a violation of County regulations and may result in modification or revocation of this permit and subsequent legal action. No use or construction other than that specified by this permit is allowed unless additional permits are approved by the appropriate authorities. To the extent that the County has delegated any condition compliance or mitigation monitoring to the Monterey County Water Resources Agency, the Water Resources Agency shall provide all information requested by the County and the County shall bear ultimate responsibility to ensure that conditions and mitigation measures are properly fulfilled. (HCD - Planning)

Compliance or Monitoring Action to be Performed: The Owner/Applicant shall adhere to conditions and uses specified in the permit on an on-going basis unless otherwise stated.

2. PD002 - NOTICE PERMIT APPROVAL

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: The applicant shall record a Permit Approval Notice. This notice shall state:
"A Design Approval, Coastal Development Permit for removal of two Cypress trees, a Variance to front setbacks, and an amendment to Condition No. 23 of PLN100338 (Resolution Number 25----) was approved by the Board of Supervisors for Assessor's Parcel Number 008-261-007-000 on August 26, 2025. The permit was granted subject to ten conditions of approval which run with the land. A copy of the permit is on file with Monterey County HCD - Planning."

Proof of recordation of this notice shall be furnished to the Director of HCD - Planning prior to issuance of grading and building permits, Certificates of Compliance, or commencement of use, whichever occurs first and as applicable. (HCD - Planning)

Compliance or Monitoring Action to be Performed: Prior to the issuance of grading and building permits, certificates of compliance, or commencement of use, whichever occurs first and as applicable, the Owner/Applicant shall provide proof of recordation of this notice to the HCD - Planning.

3. CC01 INDEMNIFICATION AGREEMENT

Responsible Department: County Counsel-Risk Management

Condition/Mitigation Monitoring Measure: Owner/Applicant agrees as a condition and in consideration of approval of this discretionary development permit that it will, pursuant to agreement and/or statutory provisions as applicable, including but not limited to Government Code section 66474.9, defend, indemnify, and hold harmless the County of Monterey and/or its agents, officers, and/or employees from any claim, action, or proceeding against the County and/or its agents, officers, and/or or employees to attack, set aside, void, or annul this approval and/or related subsequent approvals, including, but not limited to, design approvals, which action is brought within the time provided for under law. Owner/Applicant shall reimburse the County for any court costs and attorney's fees that the County may be required by a court to pay as a result of such action.

The County shall notify Owner/Applicant of any such claim, action, and/or proceeding as expeditiously as possible. The County may, at its sole discretion, participate in the defense of such action. However, such participation shall not relieve Owner/Applicant of his/her/its obligations under this condition. Regardless, the County shall cooperate fully in defense of the claim, action, and/or proceeding.

(County Counsel-Risk Management)

Compliance or Monitoring Action to be Performed: This Indemnification Obligation binds Owner/Applicant from the date of approval of this discretionary development permit forward. Regardless, on written demand of the County County's Office, Owner/Applicant shall also execute and cause to be notarized an agreement to this effect. The County Counsel's Office shall send Owner/Applicant an indemnification agreement. Owner/Applicant shall submit such signed and notarized Indemnification Agreement to the Office of the County Counsel for County's review and signature. Owner/Applicant shall then record such indemnification agreement with the County of Monterey Recorder's Office. Owner/Applicant shall be responsible for all costs required to comply with this paragraph including, but not limited to, notary costs and Recorder fees.

4. PD011(A) - TREE REMOVAL

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: Tree removal shall not occur until a construction permit has been issued in conformance with the appropriate stage or phase of development in this permit. Only those trees approved for removal shall be removed. (HCD-Planning)

Compliance or Monitoring Action to be Performed: Prior to tree removal, the Owner/ Applicant/ Tree Removal Contractor shall demonstrate that a construction permit has been issued prior to commencement of tree removal.

5. PD011 - TREE AND ROOT PROTECTION

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: Trees which are located close to construction site(s) shall be protected from inadvertent damage from construction equipment by fencing off the canopy driplines and/or critical root zones (whichever is greater) with protective materials, wrapping trunks with protective materials, avoiding fill of any type against the base of the trunks and avoiding an increase in soil depth at the feeding zone or drip-line of the retained trees. Said protection, approved by certified arborist, shall be demonstrated prior to issuance of building permits subject to the approval of HCD - Director of Planning. If there is any potential for damage, all work must stop in the area and a report, with mitigation measures, shall be submitted by certified arborist. Should any additional trees not included in this permit be harmed, during grading or construction activities, in such a way where removal is required, the owner/applicant shall obtain required permits. (HCD - Planning)

Compliance or Monitoring Action to be Performed: Prior to issuance of grading and/or building permits, the Owner/Applicant shall submit evidence of tree protection to HCD - Planning for review and approval.

During construction, the Owner/Applicant/Arborist shall submit on-going evidence that tree protection measures are in place through out grading and construction phases. If damage is possible, submit an interim report prepared by a certified arborist.

Prior to final inspection, the Owner/Applicant shall submit photos of the trees on the property to HCD-Planning after construction to document that tree protection has been successful or if follow-up remediation or additional permits are required.

6. PW0044 - CONSTRUCTION MANAGEMENT PLAN

Responsible Department: Public Works

Condition/Mitigation Monitoring Measure: The applicant shall submit a Construction Management Plan (CMP) to HCD-Planning and HCD-Engineering Services for review and approval. The CMP shall include measures to minimize traffic impacts during the construction/grading phase of the project.

CMP shall include, at a minimum, duration of the construction, hours of operation, truck routes, estimated number of truck trips that will be generated, number of construction workers, and on-site/off-site parking areas for equipment and workers and locations of truck staging areas. Approved measures included in the CMP shall be implemented by the applicant during the construction/grading phase of the project. (Public Works)

Compliance or Monitoring Action to be Performed: 1. Prior to issuance of the Grading Permit or Building Permit, Owner/Applicant/Contractor shall prepare a CMP and shall submit the CMP to the HCD-Planning and HCD- Engineering Services for review and approval.

2. On-going through construction phases Owner/Applicant/Contractor shall implement the approved measures during the construction/grading phase of the project.

7. PD048 - TREE REPLACEMENT/RELOCATION

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: The applicant shall relocate two trees approved for relocation as shown in the front of the proposed structure in the approved plans for the project. (The applicant shall also plant a 48-inch box Cypress tree of native stock as required by PLN100338/Board Resolution no. 23-237, which is not shown in these approved plans but is still required.)
A qualified Arborist shall be included in a preconstruction meeting and oversee the relocation of the two trees as shown in the approved plans and the replanting of the replacement tree pursuant to Condition No. 16 of Board Reso. no. 23-237. The arborist may require additional tree planting due to tree failure or to make up for lost canopy to screen the development. The replacement trees shall be Monterey cypress, 36-inch box size or larger. The trees may only be removed with the approval of a Coastal Development Permit. Monitoring for survival and vigor shall be implemented for a total of 5 years. This includes quarterly monitoring of the replacement trees by a Certified Arborist for 3 years and annual monitoring for minimum of 5 years, with replanting from Pebble Beach area Cypress stock, as needed. The applicant or applicant's representative shall implement the arborist recommendation(s) within one month of receiving the recommendation. If any relocated trees die, the applicant shall replace the tree(s) at standard County tree replacement ratios. Replacement tree(s) shall be located within the same general location as the tree being removed. (HCD - Planning)

Compliance or Monitoring Action to be Performed: A qualified Arborist shall be included in a preconstruction meeting. Applicant/Owner shall submit to HCD-Planning for review and approval a sign-in sheet from the preconstruction meeting that includes names and company information.

Prior to construction permit issuance, Applicant/Owner shall submit to HCD-Planning for review and approval a contract Scope of Work with a qualified Arborist that includes the requirements of this condition.

Qualified Arborist shall oversee and report on tree relocation activities, including photographs of the relocation of the trees. As evidence that this has been completed, Applicant/Owner shall submit an "as planted" plan prepared by a the arborist showing the location of the replacement trees, protective measures that have been installed, species, size and any irrigation/hand watering plan.
Qualified Arborist shall perform a monitoring program including at a minimum:
1) Quarterly monitoring inspections by qualified Arborist of all relocated/planted trees for a minimum of 3 years and annual inspections for a minimum of 2 additional years (total of 5 years monitoring).
2) A report by the arborist documenting the findings of each inspection shall be submitted to HCD-Planning for review and approval within one month of each inspection. The first quarterly inspection report for monitoring of trees is due 4 months after the relocation planting of the trees.
Should the monitoring reports conclude that replanting shall be required, replacement tree(s) from Pebble Beach Cypress tree stock shall be planted within the same general location as the tree(s) that failed. The applicant or applicant's representative shall implement the arborist recommendation(s) within one month of receiving the recommendation.

8. PDSP002: CONFORMANCE WITH CONDITIONS OF APPROVAL FOR PLN100338

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: Per Condition No. 43 of PLN100338, a Mitigation Monitoring and Reporting Plan (MMRP) Agreement was prepared by staff and County Counsel, signed and notarized by the Applicant and the HCD Director, and recorded by the Applicant as County Document No. 2023029686. PLN240077, as permitted through Resolution No. 25-012, is related to the Combined Development Permit approved by the Board of Supervisors on June 27, 2023, with Board Resolution Nos. 23-036 and 23-037. Work authorized under this Permit must comply with the Conditions of Approval/Mitigation Monitoring and Reporting Plan for PLN100338, as memorialized in the MMRP Agreement prepared for PLN100338, Document No. 2023029686. This condition of approval memorializes that the Conditions of Approval/Mitigation Monitoring and Reporting Plan approved through those resolutions will continue as formalized in the MMRP Agreement, and this project and its conditions of approval are added to and in general conformance with them.

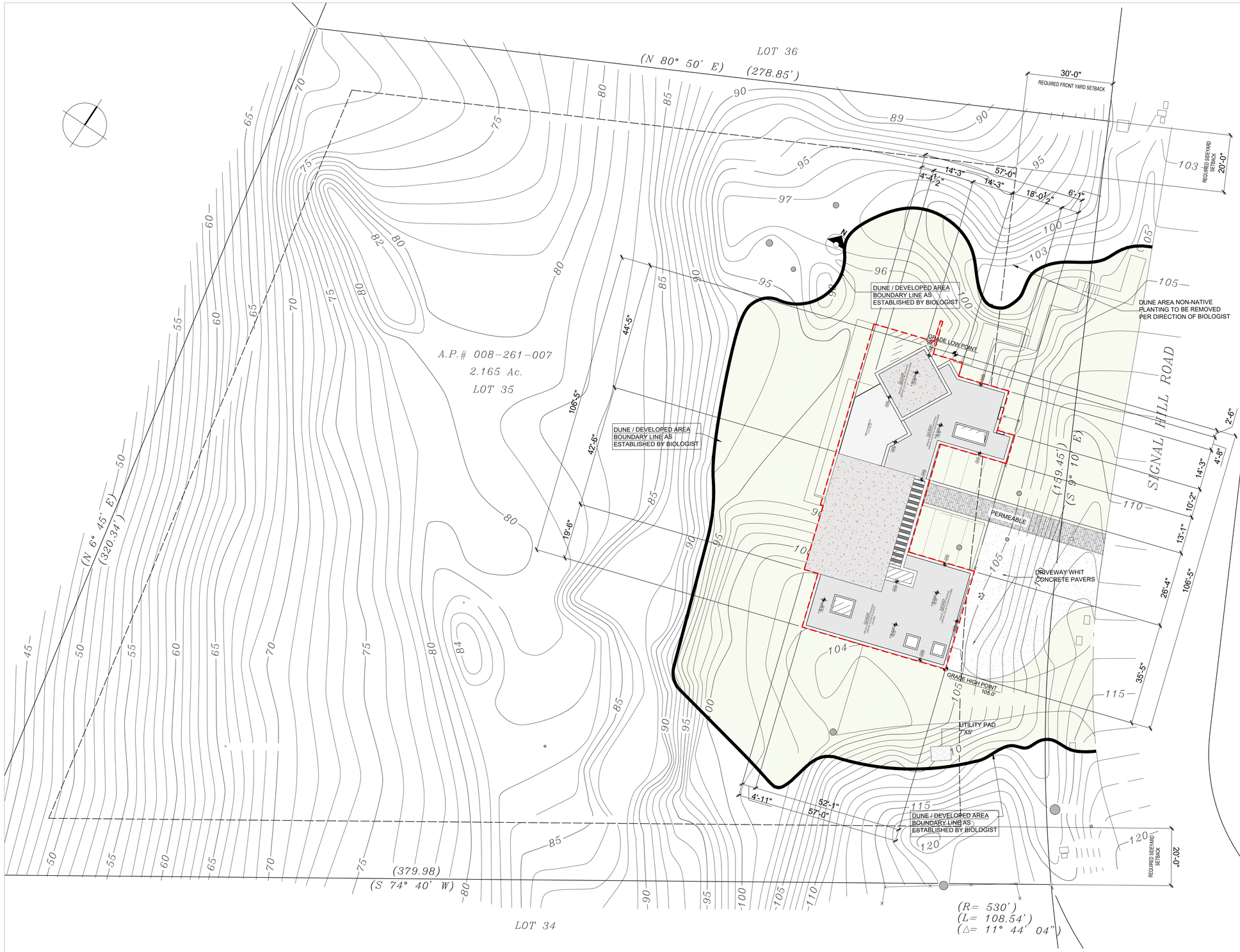
Compliance or Monitoring Action to be Performed: Comply with all COA herein and the Conditions of Approval/Mitigation Monitoring and Reporting Plan as formalized by the MMRP Agreement (County Document No. 2023029686).

9. PDSP003: CONSERVATION AND EASEMENT DEED (BIO/MM-3.1 FULL PROJECT)

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: Prior to issuance of grading, or construction permits, and consistent with Del Monte Forest Land Use Plan Environmentally Sensitive Habitat Area Policies 13 and 17, the applicant shall permanently protect Environmentally Sensitive Habitat Areas located outside the construction area by establishing deed restrictions or a permanent open space conservation and scenic easement to be granted to the Del Monte Forest Foundation. The deed restrictions/easement shall encompass the 1.67-acre area proposed for dune scrub restoration shown in Figures 2-3 and 4.2-2. The restrictions shall designate the easement area as a native dune scrub restoration area and Environmentally Sensitive Habitat Area, where only habitat restoration and other resource dependent uses are permitted. The only deviations from such restrictions may be to repair existing sewer cleanouts and associated sewer pipes that are located in the area. The deed restrictions shall require any future work on the sewer cleanouts and associated piping to be monitored by a qualified biologist and all disturbance areas to be restored to central dune scrub habitat per the specifications put forth in the applicant's Dune Restoration Plan. (HCD-Planning)

Compliance or Monitoring Action to be Performed: Prior to issuance of construction permits, the applicant shall submit to the County of Monterey HCD – Planning for review and approval a CSE exhibit (plat and legal description) that illustrates complete sand dune preservation where it is expected to be restored. The Deed shall allow habitat restoration and other resource dependent uses are permitted. Prior to final on construction permit, the applicant shall submit to the County of Monterey HCD – Planning a recorded easement reflecting compliance with this measure.



SITE PLAN SCALE. 1/16"=1'-0"

0 10 20 40 80

LEGAL DESCRIPTION:

SUBDIVISION:	EL PESCADERO RHO
PLANNING AREA:	GREATER MONTEREY PENINSULA
AREA PLAN:	DEL MONTE FOREST LAND USE PLAN
COUNTY FILE NUMBER:	PLN100338L
ADDRESS:	1170 SIGNAL HILL DRIVE PEBBLE BEACH, CA 93953
ACCESSOR'S PARCEL No.:	008-267-007
LOT No.:	35
ZONING:	LDR/1.5-D (CZ)
USE:	SINGLE FAMILY RESIDENTIAL

LOT COVERAGE

LOT SIZE: 2.165 Acres - (94,307 s.f.)

MAXIMUM ALLOWABLE BUILDING COVERAGE (per code):= 15%

94,307 s.f. X 15%= 14,146 s.f.

IMPERVIOUS LOT COVERAGE:

BUILDING FOOT PRINT.	4,122.00 s.f.
DRIVEWAY	1,838.00 s.f.
HARDSCAPE	
Terrace	378.00 s.f.
TOTAL:	6,338.00 s.f. = 6.72%

FLOOR AREA

MAXIMUM ALLOWABLE FLOOR AREA - (LDR/1.5D.): 17.5%

ALLOWABLE FLOOR AREA:

94,307 s.f.x 17.5% = 16,504 s.f.

PROPOSED FLOOR AREA / RADIO:

LOWER LEVEL:	3,591.29 s.f.
FIRST FLOOR (w/GARAGE:)	4,098.63 s.f.
TOTAL FLOOR AREA:	7,689.92 s.f./94,307 =8.15%

BUILDING HEIGHT

MAXIMUM ALLOWABLE HEIGHT - (LDR/1.5D.): 30 FEET

HEIGHT CALCULATION

HIGH POINT OF NATURAL GRADE:	105.00'
LOW POINT OF NATURAL GRADE:	98.00'
DIFERENCIAL:	7.00'

AVERAGE GRADE: 7.00'/2 = 3.5' + 98.0' = 101.50'

ACTUAL HEIGHT ELEVATION: 101.50' + 25.50 ' = 127.0'

TREE RELOCATION

2 TREES TO BE RELOCATED

GRADING CUT/FILL (see civil drawings)

CUT	780 CY
FILL	500 CY
EXPORT	280 CY

REQUIRED PARKING

REQUIRED PARKING FOR SINGLE FAMILY DWELLING: 2 CARS
PARKING SPOTS PROVIDED. 3 CARS

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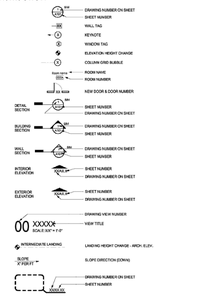
GRADES.

- DIMENSION IN FEET.
- LEVELS IN FEET.
- NO DIMENSIONS WILL BE TAKEN TO THE SCALE OF THIS PLANE.
- THE DIMENSIONS ARE TO FINISHING CLOTHES.
- THE DATES AND SUBSEQUENT REVISIONS OF EACH MUST BE CONSULTED FLAT.
- THIS DRAWING MUST BE VERIFIED WITH THE CORRESPONDING INSTALLATIONS AND STRUCTURAL. ANY DISCREPANCIES SHOULD CONSULT WITH THE CONSTRUCTION MANAGEMENT.
- THE CONTRACTOR WILL RECTIFY AT THE SITE OF THE WORK, BEFORE EXECUTING, THE DIMENSIONS AND LEVELS INDICATED IN THIS DRAWING, MUST SUBJECT TO THE DIRECTION OF THE WORK ANY DIFFERENCE THERE MAY BE, AS WELL AS THE INTERPRETATION OF THIS DRAWING BY THE CONTRACTOR HIMSELF.
- THIS DRAWING NULLIFIES ANY DRAWING PRIOR TO THIS DATE.
- ALL FINISHES INDICATED IN THIS DRAWING MUST BE EXECUTED IN ACCORDANCE
- ACCORDING TO THE CORRESPONDING SPECIFICATIONS.
- THIS DRAW SHOULD BE READ ALONG WITH THE SPECIFICATIONS CRRESPONDING TO EACH SPECIALTY.

GENERAL/ CONSTRUCTION



PLAN KEY NOTES ⓧ -

REVISIONS

NO.	DESCRIPTION	DATE

LOCATION

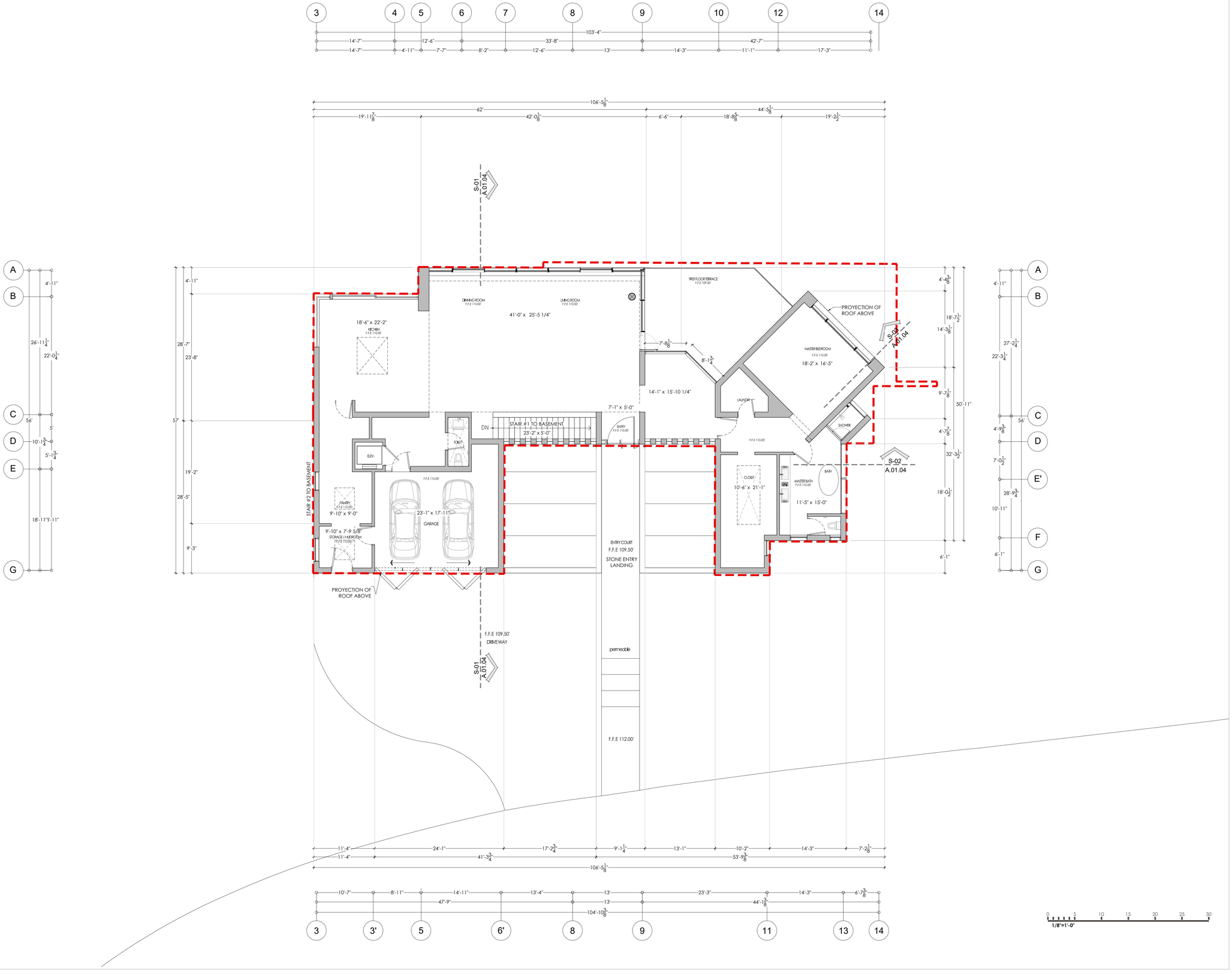
MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

SITE PLAN

SCALE	DATE
1/16"=1'-0"	8/11/25

A.00.01 SITE PLAN



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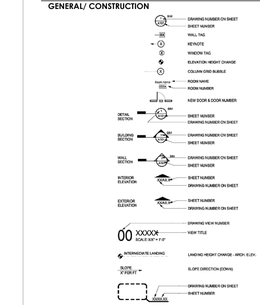
GENERAL/ CONSTRUCTION



PLAN KEY NOTES ⓧ -

REVISIONS

NO.	DESCRIPTION	DATE

LOCATION

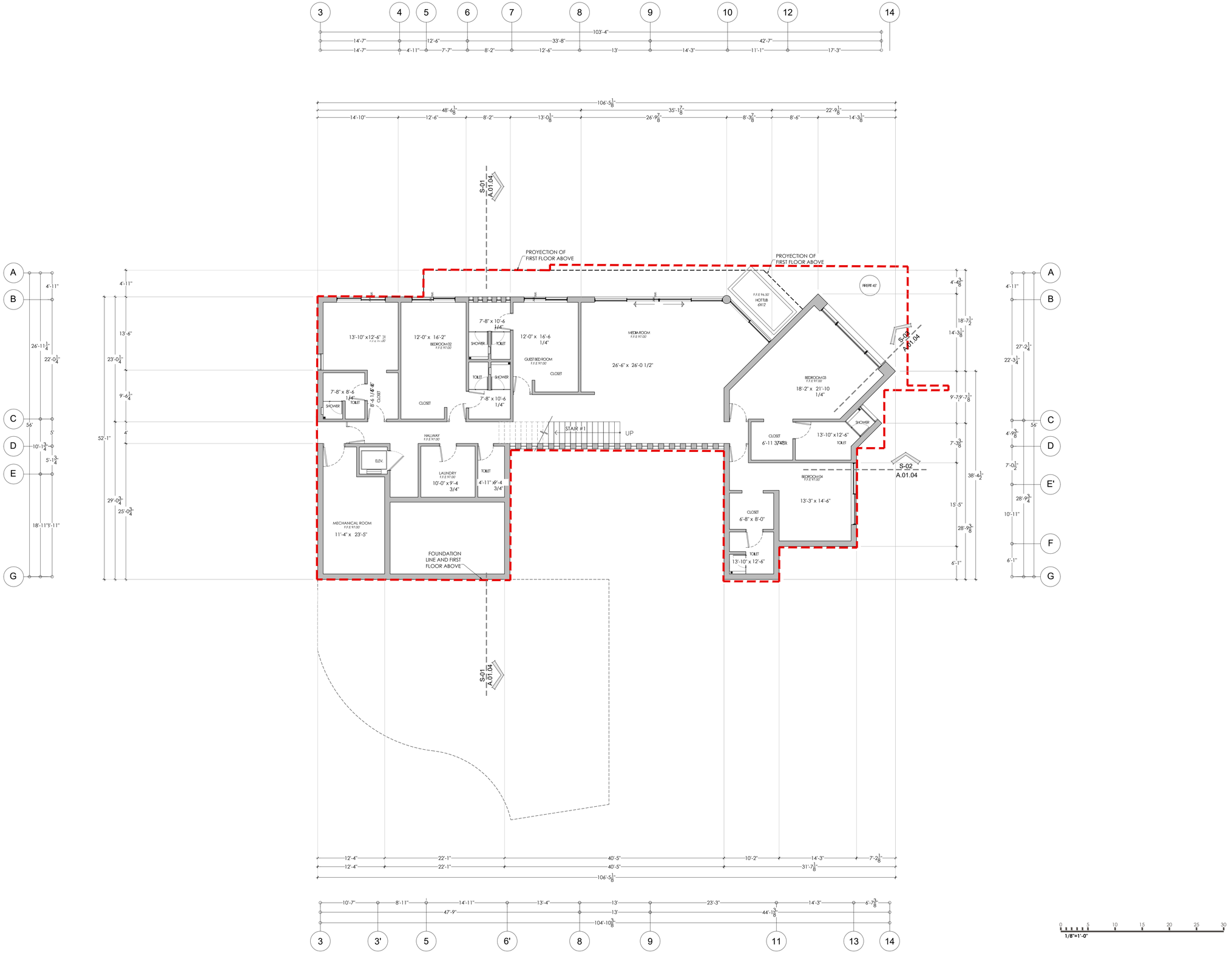
MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

ARCHITECTURAL PLAN
FIRST FLOOR

SCALE	DATE
1/8"=1'-0"	8/11/25

A.01.01 FIRST FLOOR



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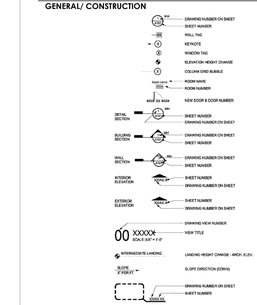

PLAN KEY NOTES ⓧ -

REVISIONS

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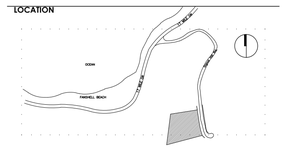


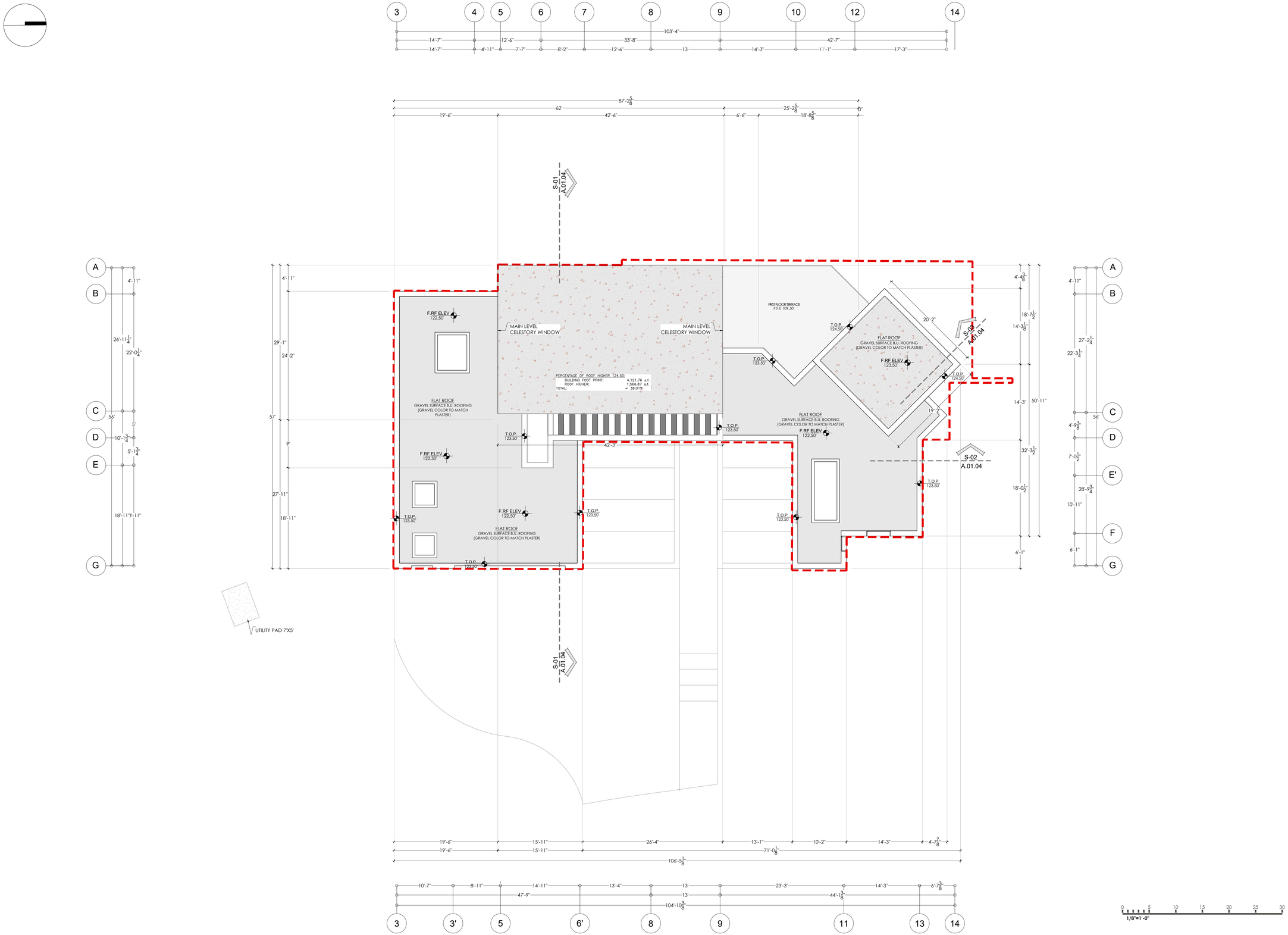
MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

ARCHITECTURAL PLAN
BASEMENT FLOOR

SCALE	DATE
1/8"=1'-0"	8/11/25

A.01.02 BASEMENT FLOOR



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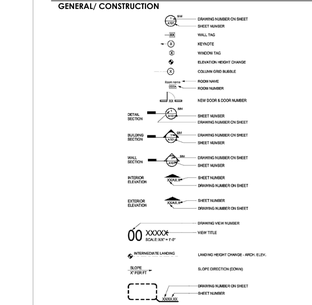


PLAN KEY NOTES ⓧ -

REVISIONS

NO.	DESCRIPTION	DATE

LOCATION

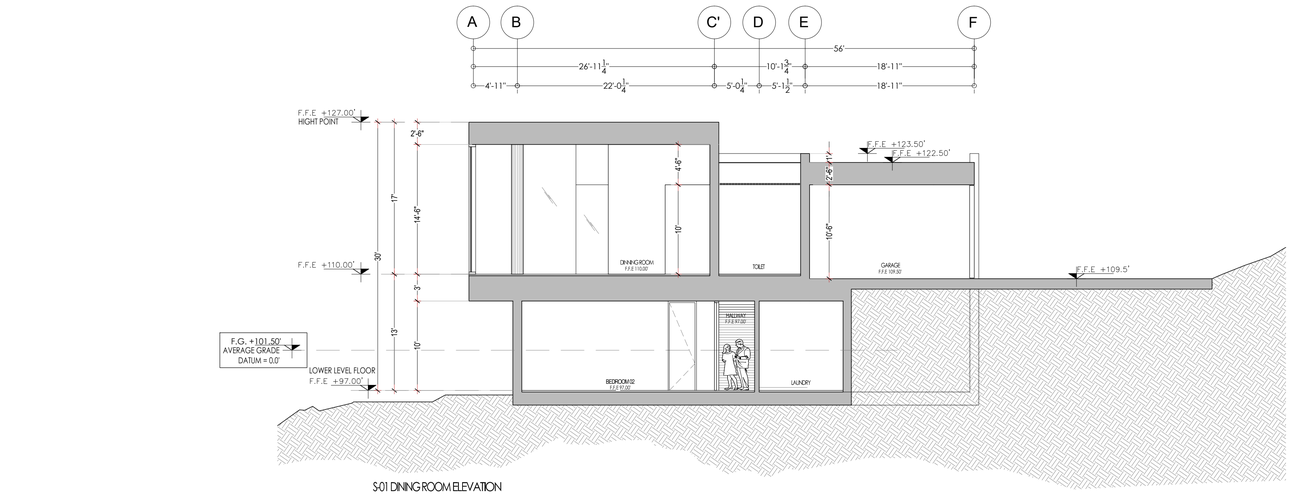
MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

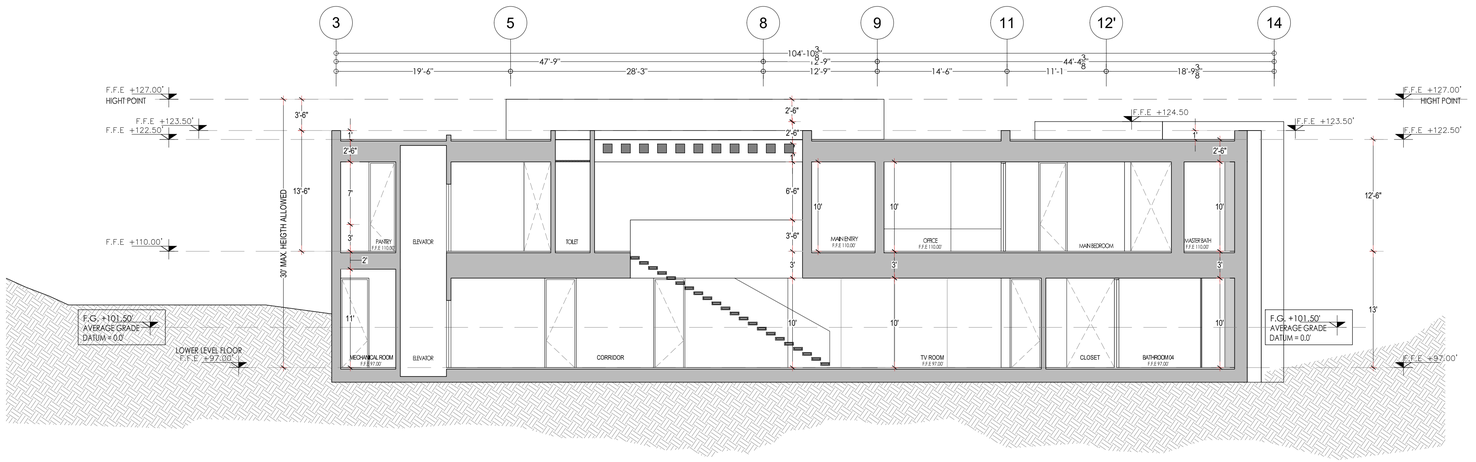
ARCHITECTURAL PLAN
ROOF PLAN

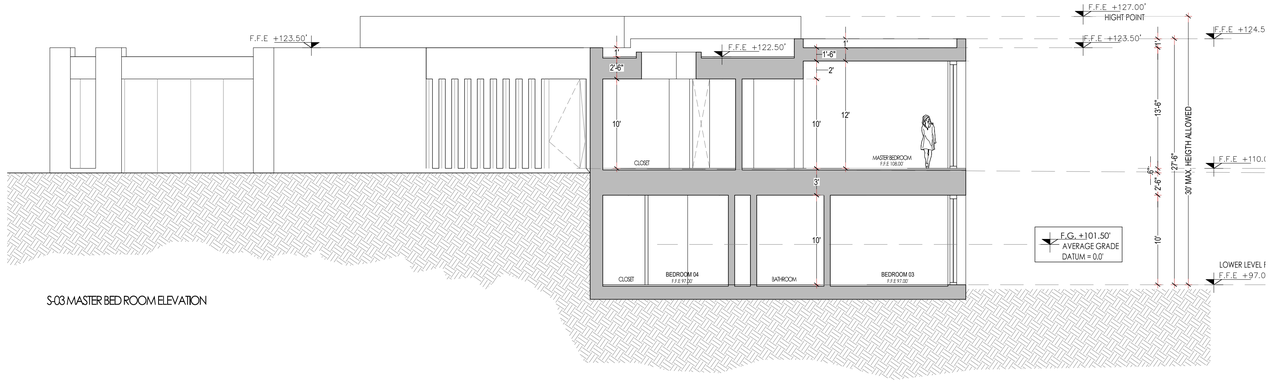
SCALE	DATE
1/8"=1'-0"	8/11/25

A.01.03 ROOF PLAN



S-01 DINING ROOM ELEVATION





S-03 MASTER BED ROOM ELEVATION

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GENERAL/ CONSTRUCTION

PLAN KEY NOTES ⓧ -

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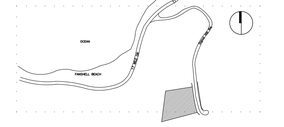


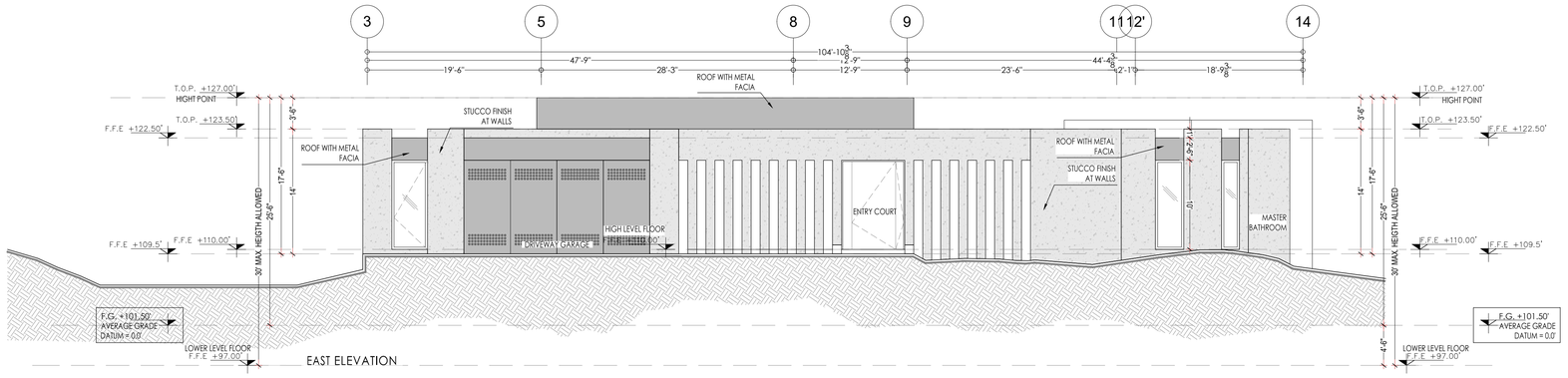
MASSY HOUSE

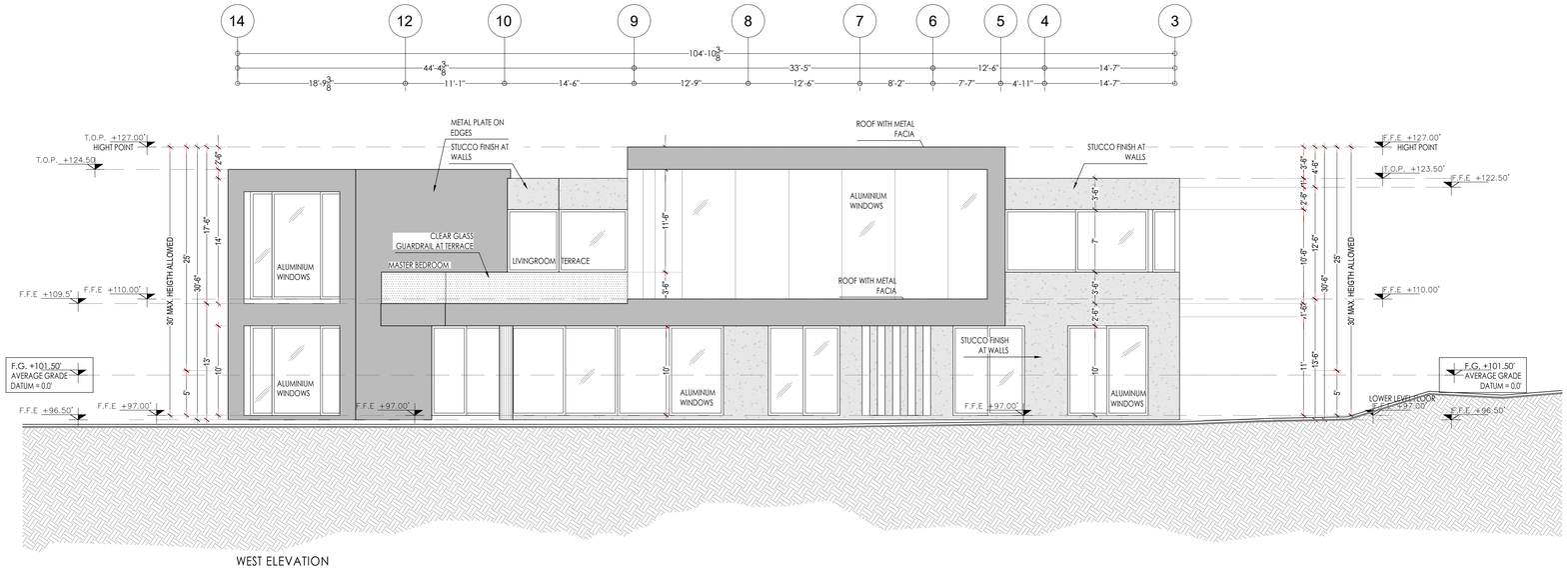
LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

ARCHITECTURAL PLAN
SECTIONS

SCALE	DATE
1/8"=1'-0"	8/12/25

A.01.04 SECTIONS





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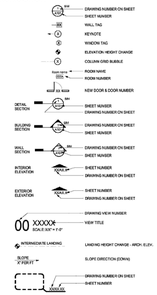

PLAN KEY NOTES ⓧ -

REVISIONS

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LOCATION

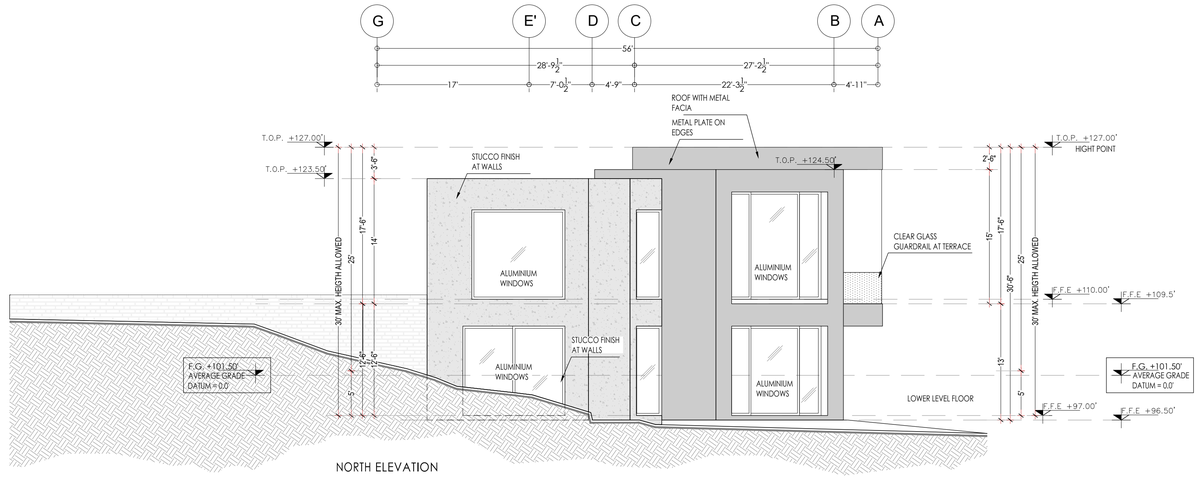
MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

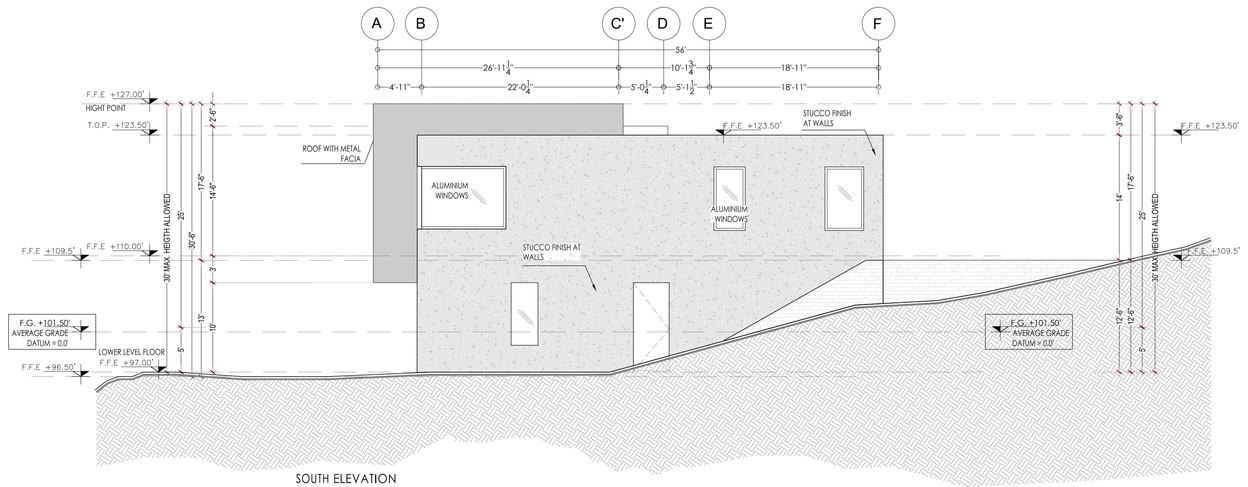
ARCHITECTURAL PLAN
ELEVATIONS

SCALE	DATE
1/8"=1'-0"	8/12/25

A.01.05 ELEVATIONS



NORTH ELEVATION



SOUTH ELEVATION

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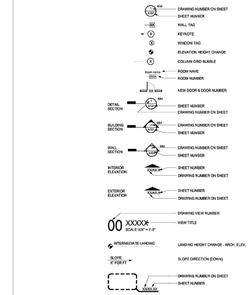

PLAN KEY NOTES ⓧ -

REVISIONS

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LOCATION

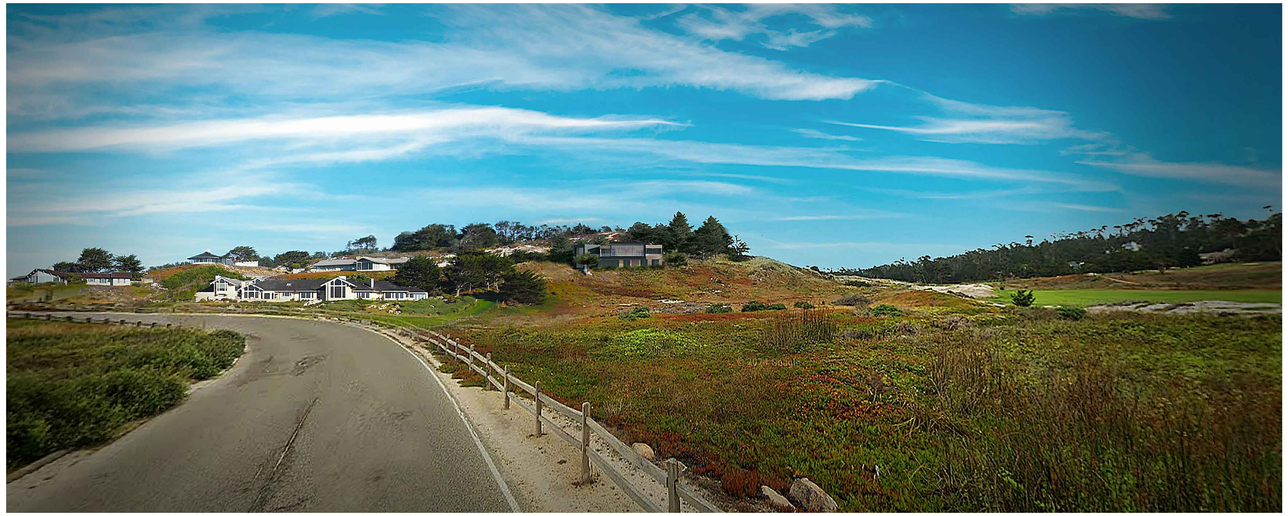
MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

ARCHITECTURAL PLAN
ELEVATIONS

SCALE	DATE
1/8"=1'-0"	8/12/25

A.01.06 ELEVATIONS



PROPOSED RESIDENCE

SIGNAL HILL RD VIEW

SIGNAL HILL RD VIEW

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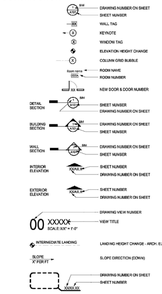

PLAN KEY NOTES ⊕ -

REVISIONS

NO.	DESCRIPTION	DATE

LOCATION

MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

PROPOSED RESIDENCE

SCALE	DATE
1/12"=1'-0"	8/13/25

A.00.03 RENDERS

Attachment C

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NOTICE OF APPEAL

Monterey County Code
Title 19 (Subdivisions)
Title 20 (Zoning)
Title 21 (Zoning)

RECEIVED
MONTEREY COUNTY
MAY 23 2025 11:34 A.M.
H.D.
CLERK OF THE BOARD
DEPUTY
VICENTE RAMIREZ

No appeal will be accepted until written notice of the decision has been given. If you wish to file an appeal, you must do so on or before May 27, 2025 (10 days after written notice of the decision has been mailed to the applicant).

Date of decision: April 29, 2025

1. Appellant Name: Samuel Reeves C/O Anthony Lombardo

   Address: 144 West Gabilan, Salinas CA 93901

   Telephone: 831-751-2330

2. Indicate your interest in the decision by placing a check mark below:

   Applicant _____

   Neighbor X

   Other (please state) _____

3. If you are not the applicant, please give the applicant's name:
   Massy Mehdipour/Signal Hill, LLC

4. Fill in the file number of the application that is the subject of this appeal below:

	Type of Application	Area
a) Planning Commission: PC-	PLN240077	Signal Hill, Pebble Beach, Coastal Zone
b) Zoning Administrator: ZA-		
c) Administrative Permit: AP-		

Notice of Appeal

5. What is the nature of your appeal?

   a) Are you appealing the approval or denial of an application? Approval

cc: Original to Clerk to the Board; RMA Planning
Monterey County Land Use Fees effective 09-17-2019

b) If you are appealing one or more conditions of approval, list the condition number and state the condition(s) you are appealing. (Attach extra sheet if necessary)

6. Place a check mark beside the reason(s) for your appeal:

There was a lack of fair or impartial hearing X
The findings or decision or conditions are not supported by the evidence X
The decision was contrary to law X

7. Give a brief and specific statement in support of each of the reasons for your appeal checked above. The Board of Supervisors will not accept an application for an appeal that is stated in generalities, legal or otherwise. If you are appealing specific conditions, you must list the number of each condition and the basis for your appeal. (Attach extra sheets if necessary)

See attached Points of Appeal

8. As part of the application approval or denial process, findings were made by the decision-making body (Planning Commission, Zoning Administrator, or Chief of Planning). In order to file a valid appeal, you must give specific reasons why you disagree with the findings made. (Attach extra sheets if necessary)

See attached Points of Appeal

9. You must pay the required filing fee of $3,572.00 (make check payable to "County of Monterey") at the time you file your appeal. (Please note that appeals of projects in the Coastal Zone are not subject to the filing fee.)

10. Your appeal is accepted when the Clerk to the Board accepts the appeal as complete and receives the required filing fee. Once the appeal has been accepted, the Clerk to the Board will set a date for the public hearing on the appeal before the Board of Supervisors.

The appeal and applicable filing fee must be delivered to the Clerk to the Board or mailed and postmarked by the filing deadline to PO Box 1728, Salinas CA 93902. A facsimile copy of the appeal will be accepted only if the hard copy of the appeal and applicable filing fee are mailed and postmarked by the deadline.

APPELLANT SIGNATURE Dan Wilson for Jon Reeves Date: 5/23/25

RECEIVED SIGNATURE [signature] Date: 5/23/25

cc: Original to Clerk to the Board; RMA Planning
Monterey County Land Use Fees effective 09-17-2019

APPEAL OF SAM REEVES TO THE DECISION OF THE PLANNING COMMISSION APPROVING A DESIGN APPROVAL (PLN240077) FOR CONSTRUCTION OF A TWO STORY, 8,290 SF HOUSE INCONSISTENT WITH THE DIRECTION AND DECISION OF THE BOARD OF SUPERVISORS

(PLN100338) SIGNAL HILL, LLC/MASSY MEHDIPOUR

BACKGROUND

On June 27, 2023, the Board of Supervisors adopted Resolution 23-237 which included the following language:

> a) Coastal Administrative Permit to allow the demolition of an existing *4,124 square foot single family residence*;
>
> b) Coastal Administrative Permit for the *construction of a new single-family residence of similar size, in concept, as the existing residence* (page 1).
>
> Finding 1, evidence i: *The Reduced Project is anticipated to be no taller or larger than the existing dwelling. A Design Approval shall ensure that colors and materials will blend with the natural surroundings.*
>
> Finding 1, evidence m: Maximum allowable height is 30 feet, and *the Reduced Project maximum height is anticipated to be approximately 22 feet* from average natural grade.

In approving the Resolution, the Board of Supervisors was specific that the new house was to be built in footprint of the Connell House. Supervisor Church stated the replacement house was to be "within the same footprint of the Connell House as it was…" In the discussion following the motion, both County Counsel Girard and Craig Spencer confirmed that was their understanding of the motion was the new house was to be in the footprint of the Connell house "as it was."

That is not what the staff recommended to the Planning Commission nor is it what the Planning Commission approved.

THE PLANNING COMMISSION APPROVAL

THERE WAS A LACK OF FAIR AND IMPARTIAL HEARING

1 • The applicant made numerous misstatements of the fact of the application, past actions and Board's decision which were not corrected. The staff also made several misstatements, particularly relative to the history of illegal tree removal and failure to replace the trees, the size of the home in relation to other homes in the neighborhood and the decision of the Board in Resolution 23-237.

THE FINDINGS ARE NOT SUPPORTED BY THE EVIDENCE

Planning Commission Resolution 25-012 was prepared by the staff after the Planning Commission decision. The Resolution has not been reviewed by the Planning Commission to

assure it accurately reflects their decision. There are numerous factual errors in the Resolution, including, but not limited to:

2 • Finding 1, a: "No public comment was provided during project review that indicated the project is inconsistent with the text, policies, and regulations in these documents on various grounds."

EVIDENCE: Anthony Lombardo, Kent Seavey and Denise Estrada all spoke in opposition to the application. Mr. Lombardo wrote two separate letters and did a Power Point presentation to the Planning Commission opposing the application.

3 • Finding1, b: "The Proposed Project is for construction of an approximately 8,290 square foot two-story single-family dwelling inclusive of a three-car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof, with an approximately 180 square foot outdoor stair well and 693 square feet of terrace [is](the "Reduced Project," Alternative 6 of the Final EIR)."

FACT: The project described is not Alternative 6. The FEIR presented a concept in Alternative 6 which was approved. No specific project, as stated in Evidence b, was presented to or approved by the Board. In fact, the Board's Resolution states "*The Reduced Project is anticipated to be no taller or larger than the existing dwelling."* The project purportedly approved by the Planning Commission is twice the square footage and with a wall facing Seventeen Mile Drive 8 feet taller than the Connell House.

4 • Finding 1, e: "the Board of Supervisors also prohibited the replacement single family dwelling from expanding beyond the building footprint of the previous dwelling. The proposed dwelling is constrained to the previous building footprint and hardscaped areas, as illustrated in Exhibit B to the April 30, 2025 staff report to the Planning Commission. As proposed, the replacement residence is within the previous structural footprint, including roof overhangs and upper-level deck (4,630 square feet) and the hardscape indoor/outdoor living areas of the Connell House (911 square feet)…The proposed structure … proposes to develop the former courtyard. Developing this former courtyard with a *new structural footprint (emphasis added)…"* is approximately equal to the hardscape area on the northwest corner of the previous development, which will no longer exist with the implementation of this project."

EVIDENCE: The use of including roof overhangs and upper-level decks was not considered in the FEIR or approved by the Board. The FEIR unequivocally states the Connell House was 4, 124 SF. No other figure was presented to or discussed at the Board.

5 EVIDENCE: The drawing below is from Exhibit B referred to in the Resolution. It clearly shows the plan purportedly approved by the Planning Commission extending into patio and courtyard areas in front of the house which are clearly not within the footprint of the Connell House. This is amplified by the staff's own statement that it would represent a "new structural footprint."

ORIGINAL HOUSE OUTLINE		4,630 SF
ORIGINAL INDOOR/OUTDOOR LIVING AREA		911 SF
ORIGINAL HOUSE & LIVING SPACE		5,541 SF
ORIGINAL HARDSCAPE		2,324 SF
SUBTOTAL ORIGINAL IMPERVIOUS		7,865 SF
PROPOSED BUILDING FOOTPRINT		4,677 SF
PROPOSED DRIVEWAY		1,610 SF
PROPOSED TERRACE/OVERHANG/STAIRWELL		952 SF
SUBTOTAL PROPOSED IMPERVIOUS		7,239 SF
NET IMPERVIOUS (REDUCTION)		(626 SF)
PROPOSED PERVIOUS ENTRY/DECKING		660 SF
COURTYARD SUBSTITUTE AREA	712 SF <	740 SF

6

- Finding 1, Evidence l: "the height, flat roof, and use of natural colors and materials help blend the development into the surrounding environment (existing sand dune and trees around the site). LUP Policy 51requires buildings developed on residential lots in the Visual Resources area to be "situated to allow the highest potential for screening from view…the staking and flagging presented a new (replacement) structure that would be on the larger end of the array of structural massing of single family dwellings currently permitted in the surrounding residential area…Although it will be larger in floor area than other Signal Hill area dwellings, the Proposed Project does not present exceptional bulk or height beyond the existing and permitted dwellings within the public viewshed (Fanshell Beach and 17 Mile Drive locations).

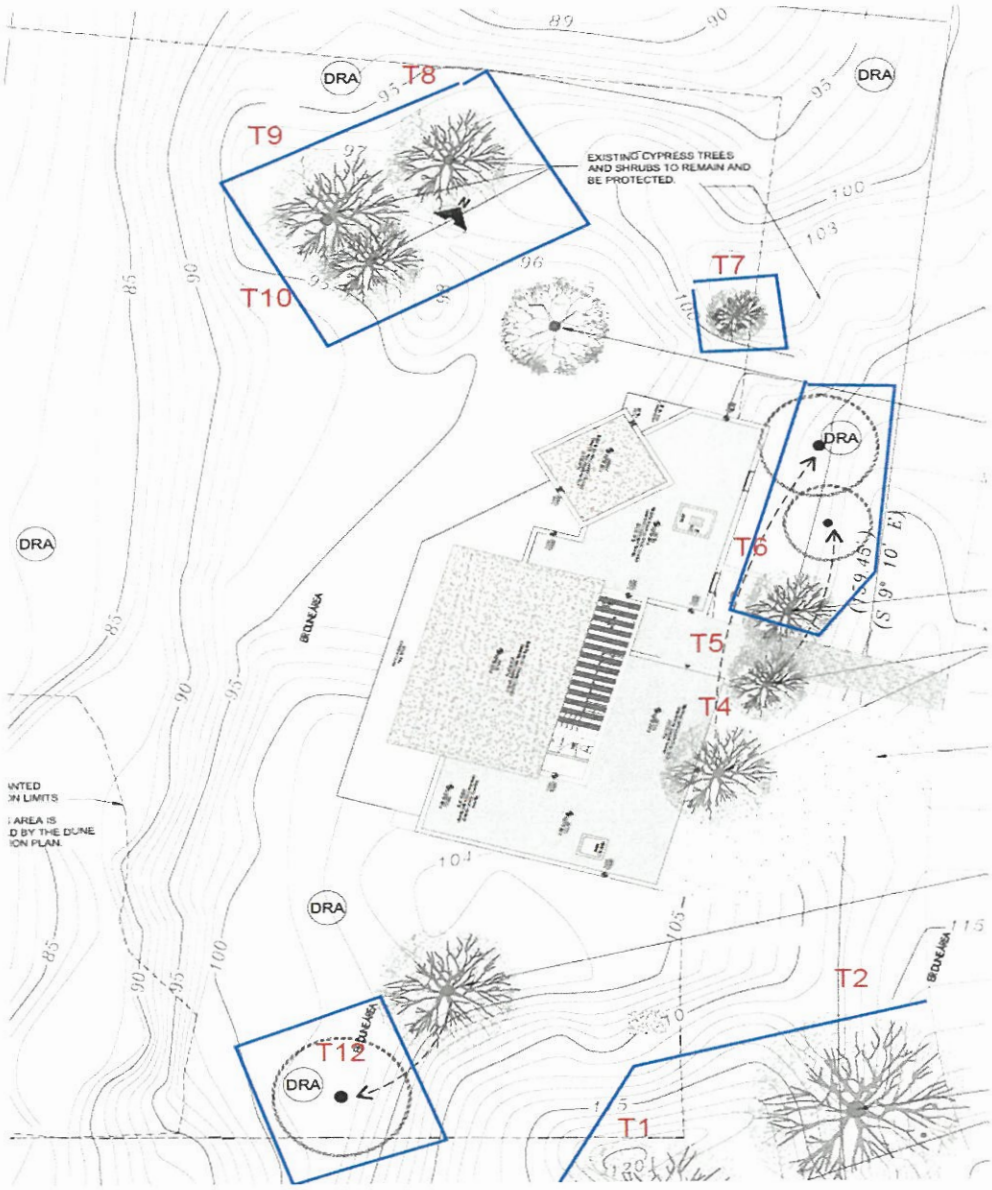
EVIDENCE: The proposed residence, as stated in the Resolution finding will be "on the large end of structural massing" and "larger than other Signal Hill area dwellings. The rendering below, prepared and submitted by the applicant and incorporated into the Resolution, is proof their finding regarding visual impact is not supported by evidence and is inconsistent with the Board's resolution stating *"The Reduced Project is anticipated to be no taller or larger than the existing dwelling."*

Applicant Rendering

Staff Photo 2010

7

- Finding 4, Evidence a and c: "Three Monterey Cypress trees [T4, T5 and T12] will be removed as part of this Project (Evidence a)…The two other trees proposed for relocation with this project (identified in the Plans attached to this Resolution as T4 and T5) were involved in PLN100418 as trees that were "significantly pruned" and were required to be monitored for canopy decline (Evidence c)."
- EVIDENCE: Trees T4 and T5, in front of the house on Signal Hill Road, were not part of the violations which PLN100418 was intended to address. The trees which were "significantly pruned" (T8,9,10) were northwest of the Connell House. The trees which were illegally removed were on the west side of the Connell House and provided significant screening from Seventeen Mile Drive and Fanshell Beach. The pictures below from Google Earth shows the scope of the illegal tree removal and trimming. The relocation of T4, T5 and T12 will do nothing to screen the view of this project from the common public viewing areas of Seventeen Mile Drive and Fanshell Beach.



The pictures below show the "before and after" of the illegal cutting and trimming.

8 • Finding 6, Evidence b: "The previous single-family dwelling was an Historic Resource at the July 2007 federal level, but not the local level (September 2009 Code Chapter 18.85 [illegible]ner agreement to local listing."
EVIDENCE: The Connell House was determined to be significant historic resource per the findings of the County Historic Resources Review Board. It was not listed due to the owner's refusal to allow listing which does not reduce or invalidate its significance at local level.

THE DECISION WAS CONTRARY TO LAW

9 • The Planning Commission Approved a Variance with no notice to the public and no findings or evidence to support the variance. The Connell House was nonconforming as to setbacks. The staff presumed the Board direction to rebuild in the footprint of the Connell house was the equivalent to the granting a variance and so advised the Planning Commission. The Planning Commission, upon the recommendation of the staff approved expansion outside the footprint and approved a variance for that. However, no variance was requested by the applicant, neither the staff report nor the draft resolution included the findings and evidence required by Monterey County Code Section 20.78.040, 20.78.050 and by Government Code Section 65906.

• No public notice of the proposed variance was provided as required by Monterey County Code Section 20.78.050 (A). The variance was not included in the project description in the public notice or the agenda.

10 • The approval violates Monterey County Code Section 20.02.060 A "No building permit, grading permit, land use discretionary permit, coastal administrative permit, coastal development permit, exemption, categorical exclusion, or other permit relative to land use may be approved if it is found to be inconsistent with the Monterey County Local Coastal Program." The project is clearly inconsistent with the policies of the DMFLCP, particularly relating to visual resources.

11 • The action of the Planning Commission fails to recognize that the applicant failed to comply with the prior action by the Board of Supervisors for PLN100418 to plant and maintain Monterey Cypress trees to screen the property from Seventeen Mile Drive and Fanshell Beach. The Board directed in 2012 that Monterey Cypress was to be planted to replace those illegally removed by the applicant. Those trees were planted but ultimately removed by the applicant and not replaced without benefit of a coastal development permit for the removal.

12 • The decision of the Planning Commission as described in Resolution 25-012 is contrary to the 2023 findings and decision of the Board of Supervisors:

  - Finding 1, evidence i: *The Reduced Project is anticipated to be no taller or larger than the existing dwelling. A Design Approval shall ensure that colors and materials will blend with the natural surroundings.*

13 ○ Finding 1, evidence m: Maximum allowable height is 30 feet, and *the Reduced Project maximum height is anticipated to be approximately 22 feet* from average natural grade.

- At 8,290 SF it is nearly twice the size of the 4,124 SSF of the Connell House as it was described in the FEIR, staff reports and Board resolution.
- At 25.5' above natural grade it is higher than the 22' above natural grade described in the FEIR, staff reports and Board resolution.
- With a 30' high frontal view from Seventeen Mile Drive it is 8 feet higher than the approximate 22' high frontal view of the Connell House.
- The plans do not incorporate the replacement of trees required by the Board of Supervisors in their decision January 2013 decision on PLN100418.

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NOTICE OF APPEAL

Monterey County Code
Title 19 (Subdivisions)
Title 20 (Zoning)
Title 21 (Zoning)

RECEIVED
MONTEREY COUNTY
MAY 27 2025
CLERK OF THE BOARD
DEPUTY
EMMANUEL H. SANTOS

No appeal will be accepted until written notice of the decision has been given. If you wish to file an appeal, you must do so on or before May 27, 2025 (10 days after written notice of the decision has been mailed to the applicant).

Date of decision: April 29, 2025

1. Appellant Name: Alliance of Monterey Area Preservationists

   Address: PO Box 2752, Monterey CA 93940

   Telephone: 831-324-0186

2. Indicate your interest in the decision by placing a check mark below:

   Applicant _____

   Neighbor _____

   Other (please state) Advocate

3. If you are not the applicant, please give the applicant's name:
   Massy Mehdipour/Signal Hill, LLC

4. Fill in the file number of the application that is the subject of this appeal below:

	Type of Application	Area
a) Planning Commission: PC-	PLN240077	Signal Hill, Pebble Beach, Coastal Zone
b) Zoning Administrator: ZA-		
c) Administrative Permit: AP-		

Notice of Appeal

5. What is the nature of your appeal?

   a) Are you appealing the approval or denial of an application? Approval

cc: Original to Clerk to the Board; RMA Planning
Monterey County Land Use Fees effective 09-17-2019

b) If you are appealing one or more conditions of approval, list the condition number and state the condition(s) you are appealing. (Attach extra sheet if necessary)

6. Place a check mark beside the reason(s) for your appeal:

There was a lack of fair or impartial hearing _____
The findings or decision or conditions are not supported by the evidence X
The decision was contrary to law X

7. Give a brief and specific statement in support of each of the reasons for your appeal checked above. The Board of Supervisors will not accept an application for an appeal that is stated in generalities, legal or otherwise. If you are appealing specific conditions, you must list the number of each condition and the basis for your appeal. (Attach extra sheets if necessary)

See attachment

8. As part of the application approval or denial process, findings were made by the decision-making body (Planning Commission, Zoning Administrator, or Chief of Planning). In order to file a valid appeal, you must give specific reasons why you disagree with the findings made. (Attach extra sheets if necessary)

See attachment

9. You must pay the required filing fee of $3,572.00 (make check payable to "County of Monterey") at the time you file your appeal. (Please note that appeals of projects in the Coastal Zone are not subject to the filing fee.)

10. Your appeal is accepted when the Clerk to the Board accepts the appeal as complete and receives the required filing fee. Once the appeal has been accepted, the Clerk to the Board will set a date for the public hearing on the appeal before the Board of Supervisors.

The appeal and applicable filing fee must be delivered to the Clerk to the Board or mailed and postmarked by the filing deadline to PO Box 1728, Salinas CA 93902. A facsimile copy of the appeal will be accepted only if the hard copy of the appeal and applicable filing fee are mailed and postmarked by the deadline.

APPELLANT SIGNATURE Kevin Sheridan president Date: 5/27/2025

RECEIVED SIGNATURE _____ Date: _____

cc: Original to Clerk to the Board; RMA Planning
Monterey County Land Use Fees effective 09-17-2019

NOTICE OF APPEAL

TO THE PLANNING COMMISSION APPROVAL (PLN240077) FOR CONSTRUCTION OF A HOUSE INCONSISTENT WITH THE DECISION OF THE BOARD OF SUPERVISORS

(PLN100338) SIGNAL HILL LLC/MEHDIPOUR

The findings are NOT supported by the evidence.

Finding: The proposed project is consistent with the Board of Supervisors Resolution 23-237 allowing demolition of an existing residence and construction of a new residence of similar size, in concept, to the existing residence.

- The proposed project is not in compliance with the project approved by the Board of Supervisors. It is not Alternative 6 (the Reduced Project in the Final EIR), which was "anticipated to be no taller or larger than the existing dwelling." In fact, the proposed project is nearly twice as large (8,290 square feet versus 4,124 square feet) as the original dwelling. The west façade is 8 feet taller than the original dwelling.
- The new residence was supposed to be within the original footprint, while the proposed project extends into the original patio and courtyard areas.
- The project's is noticeably taller and larger than neighboring houses. Its increased size and height significantly degrade the historic public viewshed from Seventeen Mile Drive and Fanshell Beach.

The decision was contrary to law.

- The applicant removed the Monterey Cypress trees that screened the original residence from the historic viewshed. The decision does not recognize that the applicant failed to comply with Board of Supervisors direction in 2013 (PLN100418) to replant and maintain these trees; they were replanted but later removed again. The approved project does not include this required mitigation.

- Planning Commission Resolution 25-012 conflicts with the 2023 findings and decision of the Board of Supervisors (Resolution 23-237). That decision anticipated a structure no taller or larger than the original building, and within the original footprint. However, the approved project is nearly twice as large and 8 feet taller with a larger footprint.

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NOTICE OF APPEAL

Monterey County Code
Title 19 (Subdivisions)
Title 20 (Zoning)
Title 21 (Zoning)

RECEIVED
MONTEREY COUNTY
MAY 23 2025
CLERK OF THE BOARD
DEPUTY
VICENTE RAMIREZ

No appeal will be accepted until written notice of the decision has been given. If you wish to file an appeal, you must do so on or before May 25, 2025 (10 days after written notice of the decision has been mailed to the applicant).

Date of decision: April 30, 2025 (Hearing), May 15, 2025 (Decision mailed to Applicant)

1. Appellant Name: Signal Hill LLC, Massy Mehdipour

   Address: 1170 Signal Hill Road, Pebble Beach, CA

   Telephone: 650-380-3187

2. Indicate your interest in the decision by placing a check mark below:

   Applicant ✓

   Neighbor _____

   Other (please state) _____

3. If you are not the applicant, please give the applicant's name:

4. Fill in the file number of the application that is the subject of this appeal below:

	Type of Application	Area
a) Planning Commission: PLN	240077	Signal Hill Road, Pebble Beach, Coastal Zone
b) Zoning Administrator: PLN	_____	_____
c) Administrative Permit: PLN	_____	_____

Notice of Appeal

5. What is the nature of your appeal?

   a) Are you appealing the approval or denial of an application? Condition 10 - see b below and attached details.

cc: Original to Clerk to the Board; HCD Planning
Revised 5-7-2024

b) If you are appealing one or more conditions of approval, list the condition number and state the condition(s) you are appealing. (Attach extra sheet if necessary)

The appeal is of Condition Number 10 (Conservation Easement) only. See attached details.

6. Place a check mark beside the reason(s) for your appeal:

There was a lack of fair or impartial hearing ____
The findings or decision or conditions are not supported by the evidence ✓
The decision was contrary to law ✓

7. Give a brief and specific statement in support of each of the reasons for your appeal checked above. The Board of Supervisors will not accept an application for an appeal that is stated in generalities, legal or otherwise. If you are appealing specific conditions, you must list the number of each condition and the basis for your appeal. (Attach extra sheets if necessary)

The appeal is of Condition Number 10 (Conservation Easement) only. See attached details.

8. As part of the application approval or denial process, findings were made by the decision-making body (Planning Commission, Zoning Administrator, or Chief of Planning). In order to file a valid appeal, you must give specific reasons why you disagree with the findings made. (Attach extra sheets if necessary)

The appeal is of Condition Number 10 (Conservation Easement) only. See attached details.

9. You must pay the required filing fee of $3,716.10 (make check payable to "County of Monterey") at the time you file your appeal. (Please note that appeals of projects in the Coastal Zone are not subject to the filing fee.)

This project is in the Coastal Zone.

10. Your appeal is accepted when the Clerk to the Board accepts the appeal as complete and receives the required filing fee. Once the appeal has been accepted, the Clerk to the Board will set a date for the public hearing on the appeal before the Board of Supervisors.

The appeal and applicable filing fee must be delivered to the Clerk to the Board by the deadline. A mailed copy of the appeal and filing fee will be accepted only if it is received by Clerk of the Board by the deadline. The appeal and applicable filing fee should be mailed to PO Box 1728, Salinas CA 93902. A facsimile copy of the appeal will be accepted only if the hard copy of the appeal and applicable filing fee are mailed and received by Clerk of the Board by the deadline.

APPELLANT SIGNATURE _____ Date: 05/22/2025

RECEIVED SIGNATURE _____ Date: _____

cc: Original to Clerk to the Board; HCD Planning
Revised 5-7-2024

Appeal of Signal Hill LLC to Condition Number 10 of the County of Monterey Planning Commission's Resolution No. 25-012 (PLN240077)

This appeal is at request of the Applicant on the sole issue of Condition Number 10, the Conservation Easement, from the County of Monterey's Planning Commission's Resolution No. 25-012 (PLN240077) that was the result of the County of Monterey Planning Commission Hearing held on April 30, 2025.

Lack of Fair and Impartial Hearing Related to Condition Number 10

The agenda of the Planning Commission Hearing on April 30, 2025 was to approve the design of a new house, not to revise a previously agreed upon conservation easement, which the Board of Supervisors had agreed to and documented in their Board Resolution No. 23-237, and which the Coastal Commission had not appealed.

The following was the full description of the Planning Commission Hearing agenda for this item: "Public hearing to consider design approval for the construction of an approximately 8,290 square foot two-story single family dwelling with an attached three car garage with light brown stucco exterior, black metal clad wood accents, and a gravel roof, an approximately 180 square foot stairwell, and approximately 695 square feet of terrace (identified as the "Reduced Project," Alternative 6 in the Final EIR) and the relocation of three Monterey Cypress trees."

Furthermore, the words "easement" and "conservation" do not appear anywhere in the staff report (Legistar File Number: PC 25-041 - Agenda Item No.4)

In the hearing, one of the Planning Commissioners proceeded to suggest revising the conservation easement, which became Condition 10 of the Planning Commission's Resolution, and the subject of this appeal. The reason the hearing was not fair or impartial is that the Applicant was not allowed to speak on the topic of the conservation easement in the hearing. An individual Planning Commissioner introduced the subject late into the meeting, which was after the Chair of the Planning Commission had explicitly instructed the Applicant not to make any further comments. None of the Planning Commissions asked whether they wanted to hear from the Applicant on the conservation easement topic or whether the Applicant would agree to a substantially revised and onerous conservation easement. Staff also did not ask the Planning Commission whether they wanted to hear from the Applicant on the conservation easement topic or whether the Applicant would agree to a substantially revised and onerous conservation easement. The Applicant was not asked whether she would agree to such a major infringement on her property rights in a manner that was exceedingly above and beyond what the Board of Supervisors had agreed to via its Board of Resolution No. 23-237.

Condition Number 10 is Not Supported by the Evidence

The Board of Supervisors did not direct staff or the Planning Commission to consider the scope of the conservation easement as part of the hearing. The scope of the hearing was to review the design plans of the Reduced Project, "which is approved in concept by the Board of Supervisors with the understanding that the applicant shall return to County for a Design Approval of the project plans, which have not yet been developed." (From Board of Supervisor's Resolution No. 23-237 - Page 3).

As described, the scope of the hearing and the Planning Commission's directive was to review the project design plans that were submitted. The conservation easement was not part of the design plans.

Condition Number 10 Was Contrary to Law

The Board of Supervisors is the primary and highest-level governing body for Monterey County, holding both legislative and executive authority. The scope of the conservation easement was fully agreed to and memorialized in the Board Resolution through the Conditions of Approval via 23. BIO/MM-3.1 -- CONSERVATION AND SCENIC EASEMENT as follows:

"the applicant shall permanently protect Environmentally Sensitive Habitat Areas located outside the construction area by establishing deed restrictions or a permanent open space conservation and scenic easement to be granted to the Del Monte Forest Foundation. The deed restrictions/easement shall encompass an area of 2:1 ratio to developed area on the property and shall be located within the areas proposed for dune scrub restoration shown in Figures 2-3 and 4.2-2."

The area allocated for a conservation easement by the Board of Supervisors (described above) is orders of magnitude less than what the Planning Commission put in their resolution. The law and public reliance on the Board of Supervisors decisions do not allow for the Planning Commission to contradict the Board of Supervisors nor allow the Planning Commission to restrict an individual's property rights beyond the restrictions previously imposed by the Board of Supervisors. In fact, the Planning Commission's resolution is not actually binding on the Applicant because the Board of Supervisors resolution takes precedence.

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LABEL 11-B, NOVEMBER 2023 PSN 7690-02-000-9996

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ATTACHMENT C-4

APPEAL AND COUNTY RESPONSES

The applicant, Massy Mehdipour, Samuel Reeves, and the Alliance of Monterey Area Preservationists (AMAP) all assert that there was a lack of fair and impartial hearing (contention no. 1), the findings made by the Planning Commission are not supported by the evidence (contention nos. 2-8), and the decision was contrary to law (contention nos. 9-14). The applicant's contention is focused on a single condition of approval imposed by the Planning Commission, so those contentions are addressed separately below. The contentions of the neighbor and AMAP are similar, and so are addressed together. Each of the contentions are numbered, summarized, and followed by staff's analysis and response to each contention.

Appeal by the Applicant (Mehdipour)
The applicant appealed the Planning Commission's decision because of a condition applied to the Design Approval that amended the requirement for a Conservation and Scenic Easement Deed (CSED). Prior approvals for this project imposed differing CSED requirements (Board Reso. No. 23-317). The applicant also contends that the Planning Commission hearing was not fair or impartial because the Commissioners did not request agreement from the applicant before adding the expanded CSED condition to the motion and voting on it, and because such a change was not noticed as part of the hearing.

Staff reviewed the contention and concluded that it has merit. The Planning Commissioners expressed a wish for a CSE boundary over the entire site and up to the edge of the building. Prior easement requirements were developed to address impacts to habitat at a ratio of 2 to 1 for a sub-area of the 1.67 acres of habitat to be protected, as a ratio typical for development that does not create new permanent impacts (Condition 23 of Board Resolution 23-237). The full-sized project that was the original proposal for PLN100338 would have created new permanent impacts that would have been offset by the full 1.67-acre area to be in CSED. The Planning Commission expanded the CSE beyond that of the full-sized project's CSE, although the proposed project reduces the impacts on habitat that were previously analyzed. It is also true that the Planning Commission did not reopen the hearing and provide an opportunity for the applicant to comment on its final motion, including the expanded CSED requirement.

After the appeal, the applicant offered to commit the full 1.67-acre area of restored sand dune to a CSED. Staff recommends the Board review the applicant's voluntary adjustment to Condition No. 23, aligning it with the full project BIO/MM-3.1, when the applicant brings forward the redesign that the Board requires.

Appeals from Reeves and AMAP
Lack of Fair and Impartial Hearing**:**

Contention No. 1: (Reeves) The applicant made numerous misstatements of the fact of the application, past actions and Board's decision which were not corrected. The staff also made several misstatements, particularly relative to the history of illegal tree removal and failure to replace the trees, the size of the home in relation to other homes in the neighborhood and the decision of the

Board in Resolution 23-237.

> **County Response No. 1:** Staff attempted to make clear the closed tree removal code enforcement case as it related to the proposed trees for relocation in written documents and oral presentation to the Planning Commission. Staff has corrected a minor error in calculations of the square footage of neighborhood homes in the staff report and presentation for the July 8, 2025 hearing.

Contentions 2-8 purport that the findings are not supported by the evidence:

Contention No. 2: (Reeves) Planning Commission Resolution 25-012 was prepared by the staff after the Planning Commission decision. The Resolution has not been reviewed by the Planning Commission to assure it accurately reflects their decision. There are numerous factual errors in the Resolution, including, but not limited to:

Finding 1, a: "No public comment was provided during project review that indicated the project is inconsistent with the text, policies, and regulations in these documents on various grounds."

Anthony Lombardo, Kent Seavey and Denise Estrada all spoke in opposition to the application. Mr. Lombardo wrote two separate letters and did a Power Point presentation to the Planning Commission opposing the application.

> **County Response No. 2:** Staff assessed the evidence for Finding 1, Evidence "a" and found that the appellant is correct. Post-hearing edits should have been made to this section of the staff report. The resolution before the Board will reflect comments received during review of this project.

Contention No. 3: (Reeves) Finding 1, b: "The Proposed Project is for construction of an approximately 8,290 square foot two-story single-family dwelling inclusive of a three-car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof, with an approximately 180 square foot outdoor stair well and 693 square feet of terrace [is]*(the "Reduced Project," Alternative 6 of the Final EIR)." *appellant added the bracketed verb.

The project described is not Alternative 6. The FEIR presented a concept in Alternative 6 which was approved. No specific project, as stated in Evidence b, was presented to or approved by the Board. In fact, the Board's Resolution states "the Reduced Project is anticipated to be no taller or larger than the existing dwelling." The project purportedly approved by the Planning Commission is twice the square footage and with a wall facing Seventeen Mile Drive 8 feet taller than the Connell House.

(AMAP) The proposed project is not in compliance with the project approved by the Board of Supervisors. It is not Alternative 6 (the Reduced Project in the Final EIR), which was anticipated to be no taller or larger than the existing dwelling." In fact, the proposed project is nearly twice as large (8,290 square feet versus 4,124 square feet) as the original dwelling. The west facade is 8 feet taller than the original dwelling.

> **County Response No. 3:** This contention has some merit.

Alternative 6 is not described in the EIR as no taller or larger than the existing dwelling. Instead, the EIR describes Alternative 6 as: "*This alternative would include completely demolishing the Connell House, but would reduce the size of the proposed single-family residence to stay within the existing developed footprint and to avoid building heights that extend above the ridgeline. The remainder of the parcel would be restored to native dune habitat*." The proposed single-family dwelling that was considered in the EIR included a 11,993 square foot, 30-foot-tall single-family dwelling. The reduced project alternative was an alternative to that original proposal. Alternative 6 was found to reduce visual and biological impacts compared with the original project by avoiding ridgeline development (reduced height) and limiting new development within the dune habitat (existing developed footprint).

The appellant's quoted text ("*The Reduced Project is anticipated to be no taller or larger than the existing dwelling"*) is from Finding 1, Evidence "i" of Board Reso. No. 23-237. This Resolution approved the demolition of the Connell House and approved Alternative 6 in concept. The quoted text from the Board report was prepared at a time when plans for a new house, reflecting the "reduced project alternative," were not available; hence the term "anticipated." Although staff, LUAC members, and the Planning Commission believed that they were following the intent of the Board's motion to "stay within the footprint of the Connell House as it was" by limiting impacts on dune habitat while also providing some design flexibility for the new construction, the discussion of the Board at their July 8, 2025 hearing clarified that the design approved by the Planning Commission was too broad an interpretation of the Board's motion. Therefore, this contention has merit.

Attachment D to the July 8, 2025 staff report included a color-coded site plan prepared by Whitson Engineers overlaying the Connell House footprint with the proposed footprint. Staff have reviewed these plans, aerial imagery of the Connell House footprint, the appeal contentions, and other information in the record, and determined that the proposed house extends beyond the Connell House footprint and that there appear to be discrepancies in the square footages listed in that Attachment. Since the July 8, 2025 hearing, the Applicant caused a redesign of the proposed dwelling and, as a result, a new comparison of building footprint comparison to be prepared. The Connell House footprint, depicted in a red dotted line in the new Attachment D to the August 26, 2025 staff report, is limited to structural footprint. Connell House. Attachment D also shows the proposed building footprint entirely within the Connell House footprint (heavy black outline). Even a proposed second floor terrace on the west side of the structure is now within the previous Connell House footprint.

The Board required the proposed design be modified to further reduce development that extends beyond the footprint of the former Connell House. The PLN240077 redesign as attached to the staff report with Attachment B and presented in the August 26, 2025 hearing is consistent with the Board's direction.

Contention No. 4: (Reeves) Finding 1, e "the Board of Supervisors also prohibited the replacement single family dwelling from expanding beyond the building footprint of the previous dwelling. The proposed dwelling is constrained to the previous building footprint and hardscaped areas, as illustrated in Exhibit B to the April 30, 2025 staff report to the Planning Commission. As proposed,

the replacement residence is within the previous structural footprint, including roof overhangs and upper-level deck (4,630 square feet) and the hardscape indoor/outdoor living areas of the Connell House (911 square feet). The proposed structure does not mimic the U-shape of the Connell House . . .proposes to develop the former courtyard. Developing this former courtyard with *a new structural footprint (emphasis added)* is approximately equal to the hardscape area on the northwest corner of the previous development, which will no longer exist with the implementation of this project."

EVIDENCE: The use of including roof overhangs and upper-level decks was not considered in the FEIR or approved by the Board. The FEIR unequivocally states the Connell House was 4,124 SF. No other figure was presented to or discussed at the Board.

(AMAP) The new residence was supposed to be within the original footprint, while the proposed project extends into the original patio and courtyard areas.

County Response No. 4: The Board selected Alternative 6 "in concept" when approving the permit for the demolition of the Connell House which included the new house staying within the developed footprint. In the EIR Chapter 5, Alternatives, the definition of a Reduced Project is also conceptual: "*This alternative would include completely demolishing the Connell House, but would reduce the size of the proposed single-family residence to stay within the existing developed footprint and to avoid building heights that extend above the ridgeline*." (EIR Chapter 5, page 5-9.) Neither of these concepts limit the new dwelling to the same floor area, which is inclusive of multiple floors rather than "footprint" either interpreted as the area of the Connell House seen from a birds-eye view or the foundation footprint.

At the time of the decision, the applicant had proposed, and the EIR analyzed, a proposed project that included a new single-family dwelling that was 11,933 square feet and 30 feet tall from Average Natural Grade. The "reduced project alternative" was created in the EIR as a project alternative to compare potential environmental impacts with the "proposed project" at the time. The reduced project alternative would reduce visual and biological impacts by reducing 1) the height of the new house so that it would not be considered "ridgeline development"; and 2) the footprint of the house within the sand dune habitat.

Past references to the size of the Connell House (4,124 square feet) in the EIR and Board Report were estimates. No survey of the existing house was available as the basis for these estimates. Submitted with the application for the new house was a plan prepared by Whiston Engineers showing the footprint of the Connell House to be 4,630 square feet. Staff reviewed the plans and determined that the current calculation, resulting in a total of 4,630 square feet, appeared to include the footprint of the house from a bird's eye view which includes roof overhangs and decks. The prior estimate of square footage was based on the size of the Connell House, not including roof overhangs and decks, so two different things are being measured.

As discussed in County Response No. 3, the Applicant caused a redesign of the proposed dwelling and, as a result, a new comparison of building footprint comparison to be prepared since the July 8, 2025 hearing. Whitson Engineers confirmed building footprint included the lower-level structural element which was directly below a hardscaped patio in the western

edge of the Connell House internal courtyard. The updated measurement of previous structural footprint, depicted in a red dotted line in the new Attachment D to the August 26, 2025 staff report, was therefore updated to 4,889 square feet in size.

In any event, the graphical representations of the "footprint" of the Connell House is shown in Attachment D (in red dotted outline). On Attachment D, which is updated from the version considered by the Planning Commission in their decision, the proposed project is overlain on the historic "footprint" and does not extend beyond it. .

Contention No. 5: (Reeves) The plan purportedly approved by the Planning Commission clearly shows the footprint extending into patio and courtyard areas in front of the house which are clearly not within the footprint of the Connell House. This is amplified by the staff's own statement that it would represent a "new structural footprint."

(AMAP) Planning Commission Resolution 25-012 conflicts with the 2023 findings and decision of the Board of Supervisors (Resolution 23-237). That decision anticipated a structure no taller or larger than the original building. and within the original footprint. However, the approved project is nearly twice as large and 8 feet taller with a larger footprint.

County Response No. 5: It is acknowledged that the proposed structure that was reviewed by the Planning Commission and presented in the July 8, 2025 Board of Supervisors hearing included a footprint that extended beyond the footprint of the Connell House in the front courtyard area. The applicant requested the ability to exchange the area of development to accommodate a new house design that is not exactly the same as the former U-shaped house design. The proposal increased continuous dune habitat area in the back yard in exchange for filling in an area that was previously disturbed in the front courtyard area.

Contention No. 6: (Reeves) Finding 1, Evidence l: "the height, flat roof, and use of natural colors and materials help blend the development into the surrounding environment (existing sand dune and trees around the site). LUP Policy 51 requires buildings developed on residential lots in the Visual Resources area to be "situated to allow the highest potential for screening from view ... the staking and flagging presented a new (replacement) structure that would be on the larger end of the array of structural massing of single family dwellings currently permitted in the surrounding residential area ... Although it will be larger in floor area than other Signal Hill area dwellings, the Proposed Project does not present exceptional bulk or height beyond the existing and permitted dwellings within the public viewshed (Fanshell Beach and 17 Mile Drive locations)."

EVIDENCE: The proposed residence, as stated in the Resolution finding will be "on the large end of structural massing" and "larger than other Signal Hill area dwellings." The rendering below, prepared and submitted by the applicant and incorporated into the Resolution, is proof their finding regarding visual impact is not supported by evidence and is inconsistent with the Board's resolution stating, "The Reduced Project is anticipated to be no taller or larger than the existing dwelling. "

IMAGES: Applicant Rendering of the proposed design, shown in Attachment A, and Staff Photo of the subject parcel, given date of 2010

(AMAP) The project's is noticeably taller and larger than neighboring houses. Its increased size and height significantly degrade the historic public viewshed from Seventeen Mile Drive and Fanshell Beach.

County Response No. 6: (Reeves) Finding 1, Evidence "m" includes straightforward clear statements. LUP Policy 51 does not require new construction to match other construction in the area. The Board required a redesign and instructed where to site that design. Additionally, the County certified an EIR for the project which included an analysis of all impacts. The EIR discussed this potential impact in the consistency determination of the Aesthetic Resources Chapter, and prescribed mitigation measures to reduce long-term visual impacts such as habitat restoration, permanent maintenance, and tree replacements. With these conditions and mitigations applied, impacts related to Policy 51 were found to reduce impacts to a less-than-significant level.

Contention No. 7: (Reeves) Finding 4, Evidence a and c: "Three Monterey Cypress trees [T4, TS and T12] will be removed as part of this Project (Evidence a) ... The two other trees proposed for relocation with this project (identified in the Plans attached to this Resolution as T4 and TS) were involved in PLN100418 as trees that were "significantly pruned" and were required to be monitored for canopy decline (Evidence c)."

EVIDENCE: Trees T4 and TS, in front of the house on Signal Hill Road, were not part of the violations which PLN100418 was intended to address. The trees which were "significantly pruned" (T8, 9, 10) were northwest of the Connell House. The trees which were illegally removed were on the west side of the Connell House and provided significant screening from Seventeen Mile Drive and Fanshell Beach. The pictures below from Google Earth shows the scope of the illegal tree removal and trimming. The relocation of T4, TS and T12 will do nothing to screen the view of this project from the common public viewing areas of Seventeen Mile Drive and Fanshell Beach.

IMAGES: Tree Relocation and Protection Plan, found attached to Exhibit A, and two aerial images of the Connell House, before and after tree pruning and removals with labels "June 2007" and "September 2009."

(AMAP) The applicant removed the Monterey Cypress trees that screened the original residence from the historic viewshed. The decision does not recognize that the applicant failed to comply with Board of Supervisors direction in 2013 (PLN100418) to replant and maintain these trees; they were replanted but later removed again. The approved project does not include this required mitigation.

County Response No. 7:

There are two different tree removal/relocation permits at issue here.

First, in 2009, a code enforcement case (CE090288) was initiated as a result of the unpermitted removal of 2 large Cypress trees. To address that code enforcement case, a Tree Resource Evaluation/Construction/Impact Analysis was prepared by a certified arborist in October 2010 (LIB100394). The report evaluated the eight trees on the site (7 Cypress and 1

Eucalyptus) and documented that two Cypress trees were removed without a permit. Additionally, in December 2011, the arborist documented a cluster of three Cypress trees that had been "excessively pruned" and recommended a 5-year monitoring period for survivability of those trees. On February 5, 2013, the Board of Supervisors approved an after-the-fact permit for the tree removal and required restoration of the site, replanting 2 large Cypress trees to screen the house from views, and monitoring of the trimmed trees, as a condition of approval of that permit (Resolution No. 13-021).

The applicant replanted the trees as required by the condition. One of the replacement trees, located west of the house, did not survive. That tree is required to be replanted again and monitored in accordance with the approved conditions. A second tree was replanted south of the proposed house near the existing driveway. That tree survived and is alive today. However, that tree was proposed to be relocated approximately 20 feet south in the PLN240077 application. The trees that were trimmed have been monitored and have survived. The trimmed trees are subject to the conditions imposed as part of Resolution No 13-021 and are not the subject of the proposed new house design.

Included in the permit now before the Board (PLN240077), Applicant proposed to relocate two trees as part of the new construction, excluding the one tree that was required to be planted by Resolution 13-021. The two trees proposed for relocation are in the front yard and would need to be removed for development of the proposed new home and new walkway location. The third tree, located near the existing driveway, was one of the trees required to be replanted to clear the prior code compliance case. The plans, in the experienced opinion of staff, do not suggest that the proposed construction would require the relocation of this tree, 4-inches in diameter. Staff recommended that the relocation of this tree not be included in the applicant's redesign. Applicant has agreed to protect the tree, rather than relocate.

Contention No. 8: (Reeves) Finding 6. Evidence b: "The previous single-family dwelling was an Historic Resource at the (July 2007) federal level, but not the local level (September 2009) Code Chapter 18.851(illegible) agreement to local listing."

EVIDENCE: The Connell House was determined to be s significant historic resource per the findings of the County Historic Resources Review Board. It was not listed due to the owner's refusal to allow listing which does not reduce or invalidate its significance at local level.

County Response No. 8: Staff understands the contention is a quote of Finding 6, Evidence "b" of the Planning Commission Reso. No. 25-012 about the listing of the former Connell House as an historic resource. Monterey County Code section 18.26.060.A does not allow the Historic Resources Review Board to list an historic resource on the County's local register without property owner permission. The evidence does not misconstrue the establishment of the Connell House as an historic resource at the levels that it was listed. This point is moot, however. Demolition of the Connell House was evaluated in the EIR, approved by the Board of Supervisors, and completed.

Contention Nos. 9-14 contend that the decision was contrary to law:

Contention No. 9: (Reeves) The Planning Commission Approved a Variance with no notice to the public and no findings or evidence to support the variance. The Connell House was nonconforming as to setbacks. The staff presumed the Board direction to rebuild in the footprint of the Connell House was the equivalent to the granting a variance and so advised the Planning Commission. The Planning Commission, upon the recommendation of the staff approved expansion outside the footprint and approved a variance for that.

However, no variance was requested by the applicant, neither the staff report nor the draft resolution included the findings and evidence required by Monterey County Code Section 20.78.040, 20.78.050 and by Government Code Section 65906.

No public notice of the proposed variance was provided as required by Monterey County Code Section 20.78.050 (A). The variance was not included in the project description in the public notice or the agenda.

> **County Response No. 9:** The variance was not granted without the proper notice. When the applicant proposes a redesigned project, a variance may be justified and noticed because the Board of Supervisors, in adopting a resolution to conceptually approve a new house that reflects Alternative 6 of the EIR, limited new development to the footprint of the former residence. The footprint of the former residence was non-conforming to front setback requirements, so rebuilding a home in the footprint would include new construction within the required front setback.

Contention No. 10: (Reeves) The approval violates Monterey County Code Section 20.02.060 A "No building permit, grading permit, land use discretionary permit, coastal administrative permit, coastal development permit, exemption, categorical exclusion, or other permit relative to land use may be approved if it is found to be inconsistent with the Monterey County Local Coastal Program." The project is clearly inconsistent with the policies of the DMFLCP, particularly relating to visual resources.

> **County Response No. 10:** The Board requires the proposed design be modified to further reduce development that extends beyond the footprint of the former Connell House. The project will be reviewed for consistency with the policies of the Del Monte Forest Land Use Plan.

Contention No. 11: (Reeves) The action of the Planning Commission fails to recognize that the applicant failed to comply with the prior action by the Board of Supervisors for PLN100418 to plant and maintain Monterey Cypress trees to screen the property from Seventeen Mile Drive and Fanshell Beach. The Board directed in 2012 that Monterey Cypress was to be planted to replace those illegally removed by the applicant. Those trees were planted but ultimately removed by the applicant and not replaced without benefit of a coastal development permit for the removal.

(AMAP) The applicant removed the Monterey Cypress trees that screened the original residence from the historic viewshed. The decision does not recognize that the applicant failed to comply with Board of Supervisors direction in 2013 (PLN100418) to replant and maintain these trees; they were replanted but later removed again. The approved project does not include

this required mitigation.

> **County Response No. 11:** The contention raises an issue with tree removal that has been resolved through subsequent permitting and that is subject to ongoing condition compliance and monitoring requirements. The evidence in the condition compliance record for PLN100418 in the form of tree status reports prepared by a qualified arborist indicate that replacement trees failed due to fungus infections, not due to deliberate removal of healthy trees. The conditions of approval on that restoration permit included replanting in the case of tree failure. The Board applied Condition No. 16, Tree Replanting and Protection, which requires the owner to. . .
>
> ". . .cause a 48-inch box Cypress tree to be planted in a location that will provide screening of the new development when viewed from Fanshell Beach and 17-Mile Drive. The tree shall replace the large Monterey Cypress tree which was previously removed from the property and was not successfully replanted per the after-the-fact Planning Permit (PLN100418, Reso. No. 13-021) to clear a code violation for tree removal (CE090788)."
>
> This condition was discussed in the Planning Commission hearing on PLN240077 during Commission deliberations. The tree was not drawn into the arborist's tree replacement and protection plan that was submitted with the PLN240077 application, as this arborist (James Allen) was contracted to assess tree relocations related to this permit. However, when the final landscaping plan is received pursuant to conditions of approval of PLN100338, all relocation and replanting shall be included in the plan for review and approval.

Contention No. 12: (Reeves) The decision of the Planning Commission as described in Resolution 25-012 is contrary to the 2023 findings and decision of the Board of Supervisors:

Finding 1, evidence i: *The Reduced Project is anticipated to be no taller or larger than the existing dwelling. A Design Approval shall ensure that colors and materials will blend with the natural surroundings.*

(AMAP) The project's is noticeably taller and larger than neighboring houses. Its increased size and height significantly degrade the historic public viewshed from Seventeen Mile Drive and Fanshell Beach.

> **County Response No. 12:** This comment is essentially the same as appellant's contention No. 3, listed. The consistency findings of the draft Board Resolution for PLN240077 are supported by substantial evidence and no changes are required. See County Responses Nos. 3 and 4.

Contention No. 13: (Reeves) Finding 1, evidence m: Maximum allowable height is 30 feet, and the Reduced Project maximum height is anticipated to be approximately 22 feet from average. (2023 findings and decision of the Board of Supervisors)

- At 8,290 SF it is nearly twice the size of the 4,124 SF of the Connell House as it was

described in the FEIR, staff reports and Board resolution.

- At 25.5' above natural grade it is higher than the 22' above natural grade described in the FEIR, staff reports and Board resolution.
- With a 30' high frontal view from Seventeen Mile Drive it is 8 feet higher than the approximate 22' high frontal view of the Connell House.
- The plans do not incorporate the replacement of trees required by the Board of Supervisors in their decision January 2013 decision on PLN100418.

County Response No. 13: As described in responses 3 and 4, review of the new dwelling design was reviewed for consistency with the adopted Local Coastal Plan regulations, the description of the reduced project alternative (alternative 6) in the EIR, and the Boards direction to stay within the footprint of the Connell House. Alternative 6 was compared to the original house design which included a 11,993 square foot single family dwelling. At 8,290 square feet, the design reviewed by the Planning Commission and the Board in the July 8, 2025 hearing was reduced in size from the original project. The proposed design was also approximately 4.5 feet shorter (25.5 feet tall) than the original design (30 feet tall). The proposed height would avoid "ridgeline development" which is the standard for measuring "reduced height," not a comparison with the height of the now demolished Connell House.

The Board requires the proposed design be modified to further reduce development that extends beyond the footprint of the Connell House. Staff received a redesign since the July 8, 2025 hearing that further reduced the footprint of the proposed dwelling (now 7,690 square foot two-story single family dwelling inclusive of a two car garage). The height, colors and materials, and general position of the redesigned dwelling are the same. There is no "swapping" or infill of the courtyard. Staff finds that the redesign conforms with both the criteria expressed in the Final EIR for Alternative 6 and better conforms with the Board's direction.

Contention No. 14: (Reeves) The plans do not incorporate the replacement of trees required by the Board of Supervisors in their decision January 2013 decision on PLN100418.

(AMAP) The applicant removed the Monterey Cypress trees that screened the original residence from the historic viewshed. The decision does not recognize that the applicant failed to comply with Board of Supervisors direction in 2013 (PLN100418) to replant and maintain these trees; they were replanted but later removed again. The approved project does not include this required mitigation.

County Response No. 14: The contention is acknowledged, and staff is recommending that the one tree located near the existing driveway be retained. This is one of the trees that was required to be planted in accordance with the Board's prior decisions. The other tree that was required to be replanted was replanted did not survive. As required by the conditions of the prior approval, that tree must be replaced and monitored for survivability pursuant to the prior approvals.

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Attachment D

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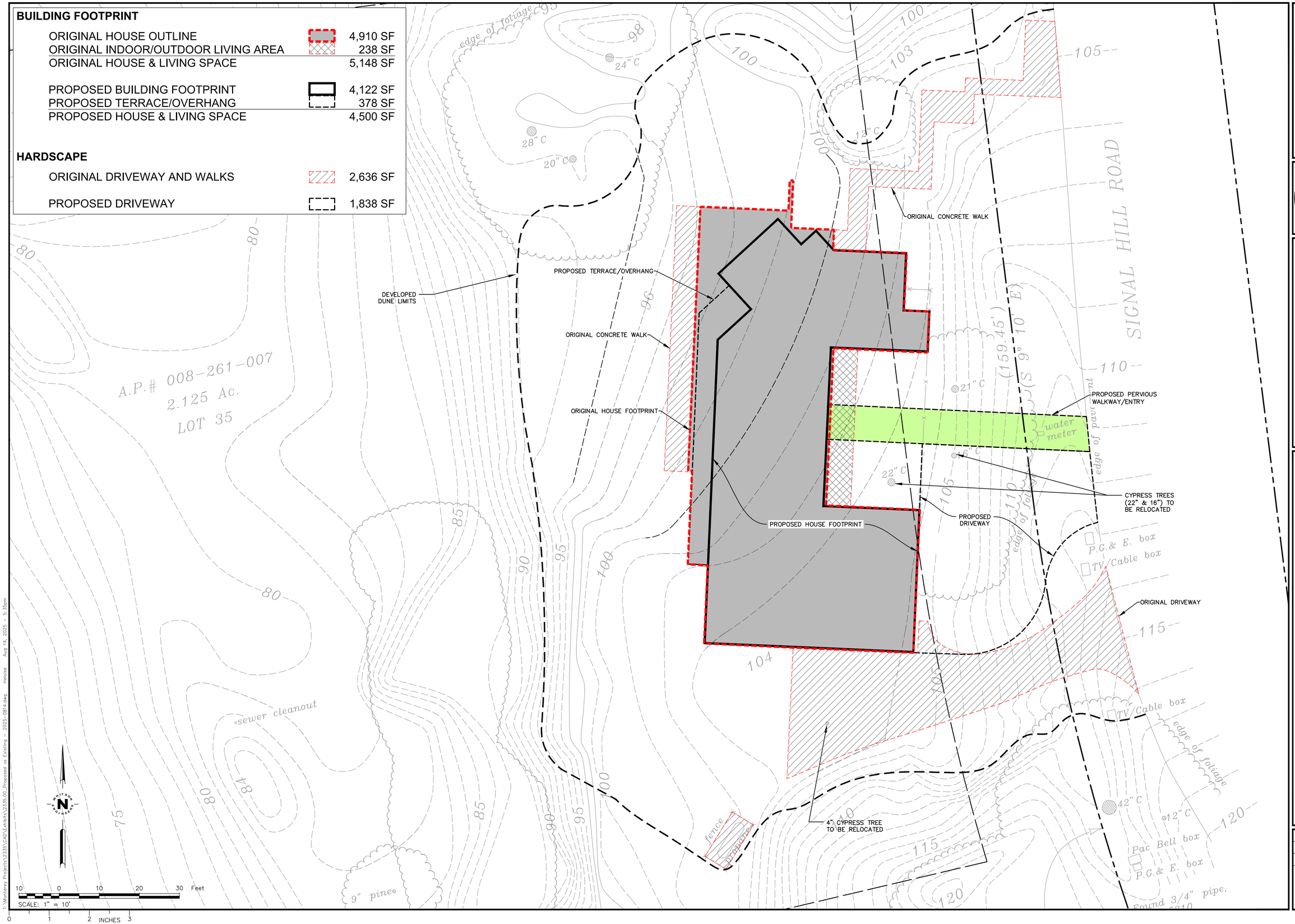
BUILDING FOOTPRINT

ORIGINAL HOUSE OUTLINE		4,910 SF
ORIGINAL INDOOR/OUTDOOR LIVING AREA		238 SF
ORIGINAL HOUSE & LIVING SPACE		5,148 SF
PROPOSED BUILDING FOOTPRINT		4,122 SF
PROPOSED TERRACE/OVERHANG		378 SF
PROPOSED HOUSE & LIVING SPACE		4,500 SF

HARDSCAPE

ORIGINAL DRIVEWAY AND WALKS		2,636 SF
PROPOSED DRIVEWAY		1,838 SF



10 0 10 20 30 Feet
SCALE: 1" = 10'
0 1 2 INCHES 3

T:\Monterey Projects\2335\CAD\Exhibits\2335.00_Proposed vs Existing - 2025-0814.dwg Heloise Aug 14, 2025 - 5:35pm

Civil Engineering
Land Surveying
6 Harris Court
Monterey, California
831-649-5225
whitsonengineers.com

Whitson ENGINEERS

REGISTERED PROFESSIONAL ENGINEER
RICHARD P. WEBER
No. 55219
CIVIL
STATE OF CALIFORNIA

SUBMITTAL / REVISION
8/11/2025

1170 SIGNAL HILL ROAD

Monterey County, California

APN 008-261-007

SITE CALCULATION EXHIBIT

SCALE:	1"=10'
DRAWN:	RW
JOB No.:	2335.00

SHEET
XHBT-A
OF

Whitson ENGINEERS

Civil Engineering + Land Surveying
6 Harris Court, Monterey, CA 93940 | 831.649.5225
whitsonengineers.com

August 13, 2025 2335.00

Re: **1170 Signal Hill Road, Pebble Beach, CA**
Determination of Basement Limits

To Whom it may concern,

We understand there have been questions regarding how the limits of the rear wall of the basement were determined in relation to the topographic survey.

We utilized the attached original 1957 plans of the home to determine the rear basement wall in relation to the upper building face as surveyed. It was determined that the back of the basement wall was 12-feet from the face of the main level courtyard wall.

In order to establish the original plans were consistent with the as built conditions, we used photographs to compare the two. The following photographs—taken from various viewpoints—were analyzed to establish the relationship between the main fireplace brick surround, visible in many images, and the basement wall along the north (courtyard) edge of the former residence.

In Exhibit 1, approximate dimensions of the brick surround were determined, along with distances to the rear basement wall on the north side. The door jamb in the image was used to provide a scale reference.

Comparisons with historical photographs indicate that the edge of the brick surround aligns closely with the edge of the roof overhang along the courtyard (Exhibit 2). This alignment can be observed in several photographs, including an aerial image overlaid with the topographic survey; Exhibit 3.

In Exhibit 3, the photograph includes a pair of sliding doors which align the overhang and the brick surround. These doors are 3-foot sliders, a standard size for this era. This dimension of 6-feet coincides with the expected dimension as shown in the demolition photo of the basement wall. Furthermore, it would seem reasonable that the patio surfacing would be used to protect the basement below from potential water seepage or drainage concerns.

If you have any questions or need additional information, please contact me at (831) 649-5225.

Sincerely,
Whitson Engineers

Richard Weber PE, LS, QSD
Principal
RCE 55219, LS 8002

Fireplace brick surround

7'-1"

7'-0"

91'-3"

FOUNDATION WATERPROOFING

FOR FURRING SEE REFLECTED SOFFIT PLAN

BOTTOM OF 2x8 JOISTS SET 3/4" ABOVE TOP PLATE

CROSS BRIDGING

2x8 JOISTS @ 16" O.C. SLOPED @ 1/8" PER FT.

2x12 JOISTS @ 16" O.C.

4x12 GIRDER

4x6 POST

4x10 EXPOSED LINTEL

2x10 @ 12" O.C.

JOISTS CUT DOWN 5" AT WALL LINE & SLOPED TO DRAIN 1/8" PER FT.

15/16" SPACE FOR FINISHES TO BY PASS

AWNING BOX

STEPPED DOWN FOOTING FOOTING IN DEEP FILL, REINFORCING 1/2"ø @ 2'-0" EACH WAY

1/2"ø ANCHOR BOLTS 4'-0" O.C. TYP. PIPE COLUM @ 8'-0" O.C.

FOUNDATION WATERPROOFING

TYP. PIPE COLUM @ 8'-0" O.C.

2-1x6 LET-INS

2-2x12

TRIPLE GRDS

FURRING

STAIR

3-2x10 STRINGERS

1x6 LET-IN

2x12@16" O.C.

1x4 SLATES 16" SPACE BETWEEN

BLOCKING

3/4" WOLMANIZED

TURN WATER PROOF MEMBRANE UP UNDER FLASHING

BOTTOM OF 2x8 JOISTS SET 3/4" ABOVE TOP PLATE

2" CONCR. SLAB

1x6 DIAG. SHEATHING

MESH

2x8 JOIST SLANTED 1/8" P/FT.

2 BY SOLID BLOCKING

2x4 R.W. MUD SILL

2-2x6 PLATES CAP PLATE 5"x8"x5/8" W/4-1/2"ø BOLTS TO DOUBLE PLATE 4"ø COLUMN

2x6 STUDS

TYP. BASE PLATE

CAP

NOTE 1.
PROVIDE AND INSTALL 20 GA. G.I. TERMITE SHIELDS ATOP ALL CONCRETE FOUNDATIONS WHERE WOOD FLOOR OCCURS.

UPPER FLOOR FRAMING P.

SHEET NO. 3

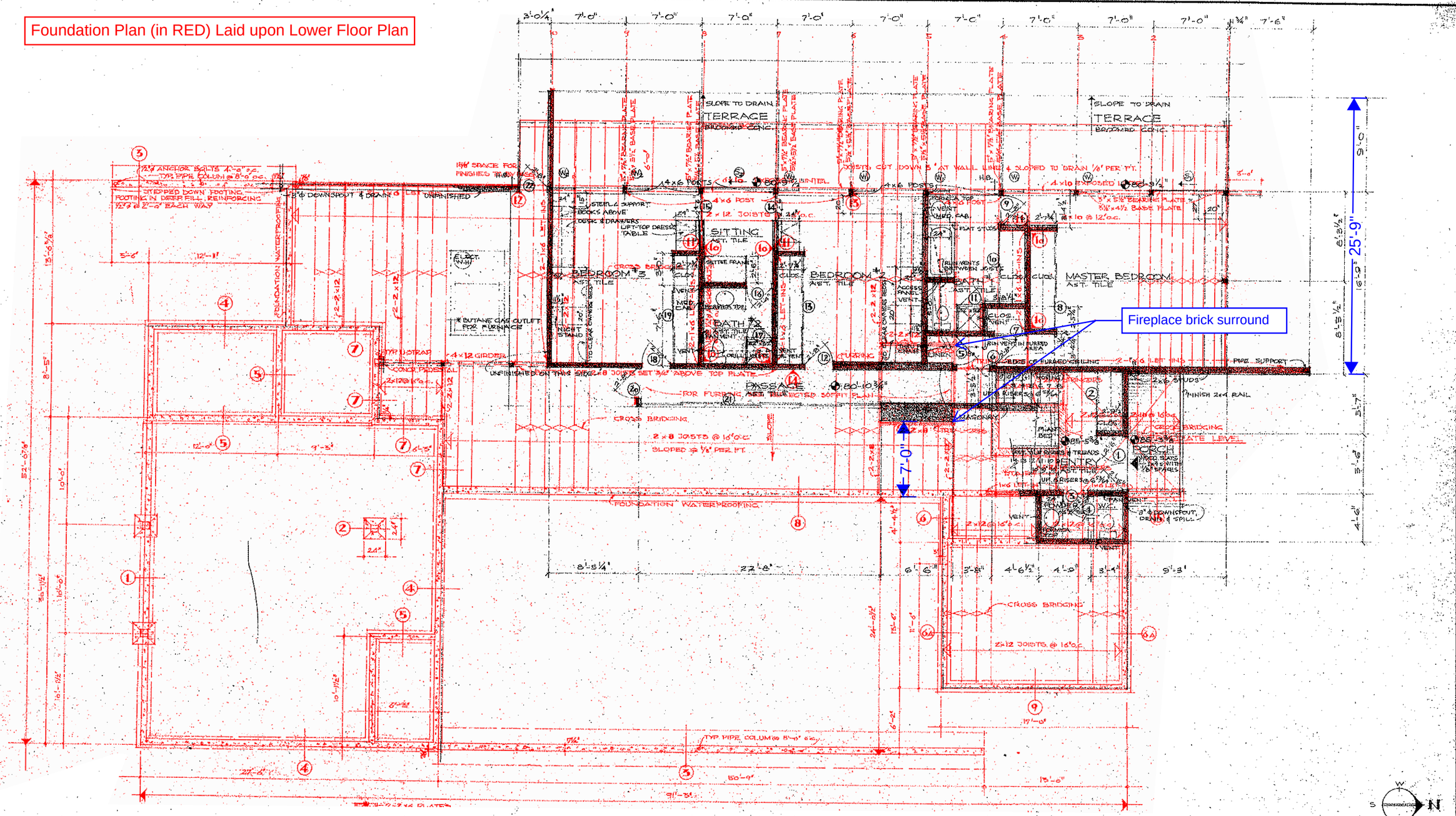
RESIDENCE FOR: MR. & MRS. ARTHUR CONNELL
SIGNAL HILL ROAD
PEBBLE BEACH CALIFORNIA

DATE JULY-57

RICHARD J. NEUTRA, F.A.I.A. ARCHITECT
2300 SILVER LAKE BOULEVARD
LOS ANGELES, CAL. PHONE NO 56194

REVISION NUMBER	DATE	DESCRIPTION	INITIAL

Foundation Plan (in RED) Laid upon Lower Floor Plan



REVISION NUMBER	DATE	DESCRIPTION	INITIAL

LOWER FLOOR PLAN — SHEET NO. 6

RESIDENCE FOR:
MR. & MRS. ARTHUR CONNELL
SIGNAL HILL ROAD
PEBBLE BEACH, CALIFORNIA

SCALE: 1/4"=1'-0"
DATE: JULY, '57
CHECKED
DRAWN: JS.

RICHARD J. NEUTRA, F.A.I.A. ARCHITECT
2300 SILVER LAKE BOULEVARD
LOS ANGELES, CAL. PHONE NO5-81184

Foundation Plan (in RED) Laid upon Upper Floor Plan

Fireplace brick surround

Face of Building wall per survey.

UPPER FLOOR PLAN

RESIDENCE FOR:
MR. & MRS. ARTHUR CONNELL
SIGNAL HILL ROAD
PEBBLE BEACH, CALIFORNIA

RICHARD J. NEUTRA, F.A.I.A. ARCHITECT
2300 SILVER LAKE BOULEVARD
LOS ANGELES, CAL. PHONE NO56194

SCALE: 1/4"=1'0"
DATE: JULY 57
CHECKED
DRAWN BY: J.B.

REVISION NUMBER	DATE	DESCRIPTION	INITIAL

Exhibit 1
Rear basement foundation wall consistent with location of record drawings
7'-0"
7'-8"
2'-8"

Exhibit 2

WE WHITSON ENGINEERS
9699 Blue Larkspur Lane ▪ Suite 105 ▪ Monterey, CA 93940
831 649-5225 ▪ Fax 831 373-5065
CIVIL ENGINEERING ▪ LAND SURVEYING ▪ PROJECT MANAGEMENT

Mehdipour Residence

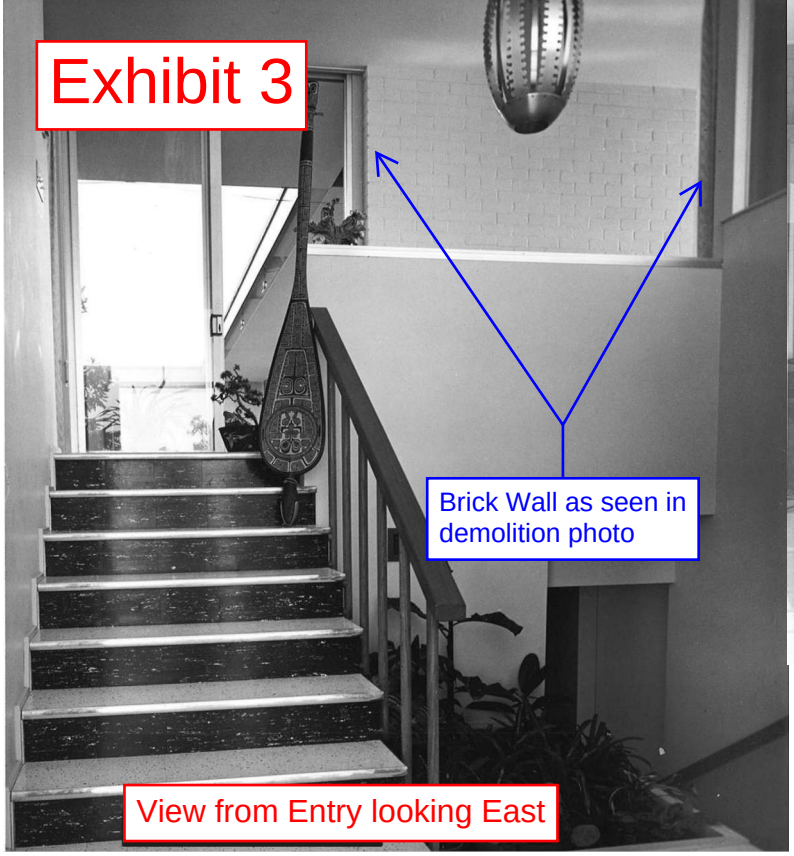
MONTEREY CALIFORNIA

DRAWING PATH: T:\Monterey Projects\2335\CAD\Exhibits\Topo Exhibit - 2015.dwg

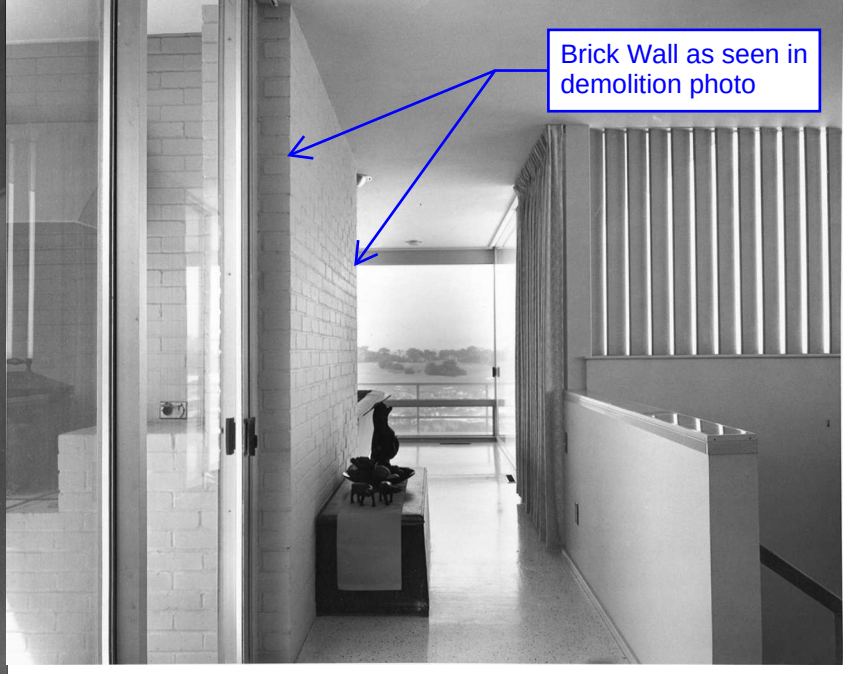
DATE:	July 14, 2015
SCALE:	1" = 20'
DRAWN:	JDC
CHECKED:	RPW
PROJECT No.:	2335.00

SHEET 1

Exhibit 3



View from Entry looking East



View from landing looking South

View from Courtyard looking West

Exhibit 4

Chimney visible in aerial photo.
View from roof looking West

View from courtyard looking South

Pair of 2-3' wide panel sliding class doors off edge of brick surround

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Attachment E

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Before the Planning Commission in and for the County of Monterey, State of California

In the matter of the application of:
SIGNAL HILL LLC (PLN240077)
RESOLUTION NO. 25-012

Resolution by the Monterey County Planning Commission to:

1) Consider the previously certified Final Environmental Impact Report (FEIR) (SCH#2015021054) for the Signal Hill LLC project, and find that the Proposed Project is consistent with Alternative 6 of the FEIR and does not warrant an addendum pursuant to CEQA Guidelines section 15162; and
2) Approve a:
   a) Design Approval for construction of an approximately 8,290 square foot two-story single family dwelling inclusive of a three car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof, with an approximately 180 square foot outdoor stair well and 693 square feet of terrace (the "Reduced Project," Alternative 6 of the Final EIR);
   b) Coastal Development Permit to allow the relocation of three Cypress trees; and
   c) Variance for structural development in front setback.

[1170 Signal Hill Road, Pebble Beach, Del Monte Forest Area Land Use Plan (APN: 008-261-007-000)]

The SIGNAL HILL LLC application for a Design Approval and Coastal Development Permit (PLN240077) (the Proposed Project) came on for public hearing before the County of Monterey Planning Commission on April 30, 2025. Having considered all the written and documentary evidence, the administrative record, the staff report, oral testimony, and other evidence presented, the Planning Commission finds and decides as follows:

FINDINGS

1. FINDING: **PROJECT DESCRIPTION AND CONSISTENCY** – The Proposed Project, as conditioned, is consistent with the applicable plans and policies which designate this area as appropriate for development.

EVIDENCE: a) Conformance with Plans. Staff reviewed the Proposed Project for consistency with the text, policies, and regulations in:
- the 1982 Monterey County General Plan;

- Del Monte Forest Area Land Use Plan (LUP);
- Monterey County Coastal Implementation Plan Part 5 (CIP, Coastal Zoning Ordinance);
- Monterey County Zoning Ordinance (Title 20);

No public comment was provided during project review that indicated the project is inconsistent with the text, policies, and regulations in these documents on various grounds. The Environmental Impact Report (EIR) that was certified for the project with Board of Supervisors Resolution No. 23-237 addressed earlier comments as to alleged and potential inconsistencies with text, policies, and/or and regulations.

b) Project Description. The Proposed Project is for construction of an approximately 8,290 square foot two-story single family dwelling inclusive of a three car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof, with an approximately 180 square foot outdoor stair well and 693 square feet of terrace (the "Reduced Project," Alternative 6 of the Final EIR). The new construction would require removal of three Cypress trees; the Applicant and project Arborist propose to relocate the three Cypress trees to locations near where they currently are growing.

c) Allowed Use. The property is located at 1170 Signal Hill Road, Pebble Beach (Assessor's Parcel Number 008-261-007-000), Del Monte Forest Area Land Use Plan (LUP). The parcel is zoned "LDR/1.5-D (CZ)" [Low Density Residential, 1.5 acres per unit with Design Control Overlay (Coastal Zone)], which allows residential uses. This Proposed Project consists of construction of a new single-family dwelling with associated site improvements for residential use. Tree removal proposed as part of the project is analyzed for consistency with the LUP, CIP, and Title 20 Zoning Ordinance and a Coastal Development Permit with supporting finding is part of this entitlement. Therefore, the Proposed Project is an allowed land use for this site.

d) Project Background. On May 9, 2023 and June 27, 2023, the Board of Supervisors heard appeals from Raymond Neutra, Samuel Reeves, and the Alliance of Monterey Area Preservationists of the Planning Commission's January 25, 2023 grant of a Combined Development Permit for this property based on the EIR's "Reduced Height Project" Alternative (Alternative 9 of the EIR). On June 27, 2023, the Board approved a Combined Development Permit for the "Reduced Project" (Alternative 6 of the Final EIR), in concept, as there were no plans prepared for it to be reviewed at the hearing (Resolution No. 23-237). Resolution No. 23-237 included approval of a Coastal Administrative Permit to construct a new single-family residence of similar size as the existing residence. The Board also approved a Coastal Administrative Permit to demolish the Connell House. The

Board's motion adopting its decision included the "stipulation that the construction is in the footprint of the Connell House as it was" (minute 3:41 of June 27, 2023 Board hearing). The building footprint of the Connell House did not conform to the 30-foot front setback of the LDR zoning district. The Board did not specify that the development footprint should be shifted out of the setbacks. On June 27, 2023, the Board of Supervisors also adopted Resolution No. 23-236, which adopted the Final EIR prepared for the Signal Hill LLC project together with a Statement of Overriding Considerations.

e) In approving the Reduced Project concept (Resolution No. 23-237), the Board of Supervisors also prohibited the replacement single family dwelling from expanding beyond the building footprint of the previous dwelling. The proposed dwelling is constrained to the previous building footprint and hardscaped areas, as illustrated in Exhibit B to the April 30, 2025 staff report to the Planning Commission. As proposed, the replacement residence is within the previous structural footprint, including roof overhangs and upper level deck (4,630 square feet) and the hardscape indoor/outdoor living areas of the Connell House (911 square feet). The total footprint of the Connell House was 5,541 square feet. The proposed replacement single family dwelling has a building site coverage of 4,857 square feet. The proposed structure does not mimic the U-shape of the Connell House and instead proposes to develop the former courtyard. Developing this former courtyard with a new structural footprint is approximately equal to the hardscape area on the northwest corner of the previous development, which will no longer exist with the implementation of this project. This equal exchange is reasonable to allow a different architectural design to be followed and property owner rights to be respected, while respecting the Board of Supervisors' direction. As proposed, the overall developed coverage of sand dune is less, and the development is less spread out than what previously existed.

f) Design Review. The site is in a Design Control (D) Zoning District. The purpose of the Design Control Zoning District is to provide a district for the regulation of the location, size, configuration, materials, and colors of structures and fences in those areas of the County where the design review of structures is appropriate to assure protection of the public viewshed, neighborhood character, and to assure the visual integrity of certain developments without imposing undue restrictions on private property. The Signal Hill LLC project has been reviewed for siting, design, colors, materials, height, character, and viewshed impacts. The Proposed Project includes exterior colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof (see attached plans). The homes in this area have a variety of architectural styles. As proposed, the design and architectural elements are

consistent with the mixed neighborhood character. The proposed colors, materials, bulk, and mass will not detract from the surrounding environment and are consistent with the surrounding residential neighborhood character.

g) Development Standards. As detailed in the attached plans, the Proposed Project meets all required development standards established in Title 20, except the front setback, which conforms with the Board of Supervisors' direction. Title 20, Chapter 20.14 establishes the development standards for the subject parcel, zoned Low Density Residential with a maximum gross density of 1.5 acres/unit and a Design Control Overlay or "LDR/1.5-D(CZ)." Required setbacks for main structures are 30 feet (front) and 20 feet (rear and side). The original Connell House is in the front setback. The direction of the Board of Supervisors on the Proposed Project, when it gave its conceptual approval, was to site the new structure in the same building footprint as the previous single-family dwelling. To comply with this direction, the Proposed Project will continue to be within the front setback. The maximum height of the main dwelling is 25.5 feet above average natural grade (ANG), meeting the 30-foot height maximum for this zoning district. The maximum allowable building site coverage is 15 percent (14,146 square feet/94,307 square feet), and the project will result in building site coverage of approximately 5.2 percent (4,857 square feet/94,307 square feet). The maximum allowable floor area ratio is 17.5 percent (16,504 square feet), and the project will have a floor area ratio of approximately 8.8 percent (8,290 square feet). The Proposed Project meets the required height, building site coverage, and floor area ratio regulations, and may extend into the front setback as directed by the Board of Supervisors. A Variance to setback regulations is part of this decision (Finding No. 9).

h) Tree Removal. Three Monterey Cypress trees will be transplanted for the development. An Arborist Report prepared for the PLN100338 project concluded that the trees are not within the native habitat identified as a type of ESHA in Figure 2a of the Del Monte Forest Land Use Plan. The proposed replanting locations are near the proposed structure. These three Monterey Cypress trees were identified as part of a previous Coastal Development Permit and Restoration Plan (Resolution No. 13-021 for PLN100418). Therefore, this replanting to be overseen by a qualified arborist and a 5-year monitoring program shall be followed as was required for the trees pursuant to Resolution No. 13-021. These requirements will ensure the health and survival of the Cypress trees and long-term screening of the development. A separate Finding (Finding 4) is included in this Resolution regarding tree removal.

i) Development on Slopes. Pursuant to Section 20.64.320 of the Monterey County Coastal Implementation Plan Part 1 (Coastal

Zoning Ordinance), a Coastal Development Permit is required for development on slopes of 30% or greater. The Proposed Project involves development on approximately 800 square feet of area containing slopes greater than 30%. The Proposed Project minimizes development on slopes and a geotechnical report recommends that the development on slopes is feasible. A Coastal Development Permit for development on slopes was included in the Board of Supervisors' Resolution No. 23-237. The Proposed Project, as conditioned and mitigated under PLN100338, will have a less than significant impact on slopes.

j) Development within 100 feet of Environmentally Sensitive Habitat. Pursuant to section 20.14.030.E, of the Coastal Zoning Ordinance, a Coastal Development Permit is required for development within 100 feet of Environmentally Sensitive Habitat Areas (ESHA). The site is in coastal sand dune habitat, which is considered ESHA as defined by the LUP and CIP. With grading and construction, staging areas, up to 0.39 acres will be impacted from construction of the Proposed Project. Restoration of native dune habitat is proposed. A Coastal Development Permit for development within 100 feet of ESHA was included in Board of Supervisors' Resolution No. 23-237. The Proposed Project, as conditioned and mitigated under PLN100338, will have a less than significant impact on ESHA.

The Planning Commission found the Conservation and Scenic Easement Deed requirement of Board Resolution no. 23-237 to be insufficient to protect the sand dune ESHA outside of the structures allowed for development by this permit. Therefore, the Planning Commission added Condition No. 10 to this permit. Conservation and Scenic Easement (CSE) shall cover all areas of the property to the edge of approved hardscaped areas. Prior to issuance of construction permits, the applicant shall submit to the County of Monterey HCD – Planning for review and approval a CSE exhibit (plat and legal description) that illustrates complete sand dune preservation (both restored ESHA and landscaped areas). The Deed shall allow for restoration activities, landscaping with native plants, and tree replanting/relocation and monitoring activities as permitted herein. Applicant/Owner shall record the approved easement reflecting compliance with this measure prior to issuance of construction permits.

k) Development within 750 feet of known archaeological resources. Pursuant to LUP Policy 58 and CIP section 20.147.080.B, an archaeological survey was prepared for PLN100338. The general surface reconnaissance on the subject parcel had results that were negative for resources, but the report's research found a known prehistoric site within 750 feet of the project site. A Coastal Development Permit is required for development within 750 feet of a known archaeological site was included in the Board of Supervisors'

Resolution No. 23-237. The Proposed Project, as conditioned and mitigated under PLN100338, will have a less than significant impact on ESHA.

l) Visual Resources. The property is in the viewshed area of 17 Mile Drive, as mapped in Figure 3 of the Del Monte Forest Land Use Plan. The property is visible from the public viewing area of Fanshell Beach. The proposed single-family dwelling is just below the crest of a hill. As discussed in Evidence "e," the height, flat roof, and use of natural colors and materials help blend the development into the surrounding environment (existing sand dune and trees around the site). LUP Policy 51 requires buildings developed on residential lots in the Visual Resources area to be "situated to allow the highest potential for screening from view." LUP Policy 56 urges design and siting of structures in scenic areas should not detract from scenic values and should be subordinate to, and blended into, the environment. Proposed colors and materials consist of light brown stucco, light brown stone cladding, gray gravel roofing, and black metal door and window frames. As shown in the 3D renderings in the attached Plans, the proposed design is consistent with these viewshed policies because of its natural colors and materials and flat roof, all of which reduce its prominence in the public viewshed and complement the natural scenic assets. Although reducing the size of the residence could better comply with applicable visual resource policies and result in a project that may be more subordinate to the environment, the proposed size is not in direct conflict with the DMF LUP. Existing trees near the project site offer screening, and the trees proposed to be relocated will be sited near the structure. To further address viewshed policies, Tree Planting and Protection was applied to PLN100338 (Condition No.16). A 48-inch Cypress tree shall be planted in a location near the house (shown to the north of the proposed house) to increase the quality of screening of existing trees onsite.

As designed, the Proposed Project roofline will remain below the tree line behind and around it from all public vista points. Section 20.66.010 of the Coastal Zoning Ordinance would require A Coastal Development Permit is required for Ridgeline Development, and the Del Monte Forest Area CIP Section 20.147.070(6) outlines the criteria for granting permits for new development that is silhouetted against the sky, or ridgeline development. No permit is required for ridgeline development in this case, based on staff review of the staking and flagging, Del Monte Forest Land Use Advisory Committee review of the project, and the 3D imagery of the project that are part of the attached Plans.

Although the Proposed Project is in a high visual sensitivity area, as sited, designed, and conditioned, will not result in

adverse visual impacts. DMF LUP Policy 48 states that development within visually prominent settings shall be sited and designed to avoid blocking or having a significant adverse impact on significant public views. In section 20.06.1275, Title 20 defines "substantial adverse visual impact" as "a visual impact which, considering the condition of the existing viewshed, the proximity and duration of view when observed with normal unaided vision, causes an existing visual experience to be materially degraded." The proposed roofline will be 22 feet above Average Natural Grade (ANG) for approximately half of the elevation visible from 17 Mile Drive and Signal Hill Road. The other portion of the roofline will be 25.5 feet above ANG. Staff assessed the visual impacts of the Proposed Project on August 5, 2024. From 17-Mile Drive, the staking and flagging presented a new (replacement) structure that would be on the larger end of the array of structural massing of single family dwellings currently permitted in the surrounding residential area. As shown in the 3D renderings of the attached project plans, the lowered height, flat roof, and use of natural colors and materials help blend the development into the surrounding environment (existing sand dune and trees around the site). Once constructed, and with adherence to mitigation measures for restoration of 1.67 acres of the site to natural sand dune vegetative community, the bulk and massing of the dwelling will not significantly alter the viewshed of the Pebble Beach neighborhood. The roofline will remain below the tree line behind and around it from all public vista points. Although it will be larger in floor area than other Signal Hill area dwellings, the Proposed Project does not present exceptional bulk or height beyond the existing and permitted dwellings within the public viewshed (Fanshell Beach and 17 Mile Drive locations). Staking and flagging was not visible from any other public viewing area due to trees in line of sight and distance. Therefore, the Proposed Project will not create a substantial adverse visual impact. All new exterior lighting shall follow the dark sky regulations required by Mitigation Measure AES/MM-3.1, which was applied as a condition of approval to PLN100338 (Board Resolution No. 23-237).

m) Site Visit. The project planner conducted a site inspection on August 5, 2024, to assess visual impacts and confirm site conditions for the project on the subject parcel.

n) Land Use Advisory Committee. Based on the Land Use Advisory Committee guidelines adopted by the Monterey County Board of Supervisors (Resolution No. 08-338), this application warranted referral to the LUAC because the Proposed Project includes a Design Approval that requires a public hearing. The project was referred to the Del Monte Forest Land Use Advisory Committee (LUAC) for review on August 1, 2024, The LUAC voted 8 yeas, 0 noes to support the project as proposed.

o) The application, project plans, and related support materials submitted by the project applicant to County of Monterey HCD-Planning for the proposed development found in Project File No. PLN240077.

2. FINDING: **SITE SUITABILITY –** The site is physically suitable for the use proposed.

EVIDENCE:

a) As part of project review under PLN100338, the project was reviewed for site suitability by: HCD-Planning; Cypress Fire Protection Districts; HCD-Engineering Services; HCD-Environmental Services; and the Environmental Health Bureau. None of these departments/agencies has opined that the site is unsuitable for the proposed development. Conditions recommended by these departments and agencies were incorporated in the project EIR resolution (Board Resolution No. 23-236).

b) The EIR identified potential impacts to Aesthetics, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology, Seismicity, and Soils, Hazards and Hazardous Materials, Historical Resources, Hydrology and Water Quality, and Noise, which could result from all components of the Project. All impacts other than those associated with the demolition of the Historical Resource can be mitigated to a less-than-significant level. Historical Resource impacts can be mitigated, but not to a less than significant level.

c) The technical reports by outside consultants listed in the References of the Final EIR indicated that there are no physical or environmental constraints that would indicate that the site is not suitable for the use proposed. County staff has independently reviewed these reports and concurs with their conclusions.

d) The site designated for residential use. A residential structure has existed on the site since the 1950's. As proposed, residential use of the property would continue.

e) The project planner conducted a site inspection on August 5, 2024, to verify that the site is suitable for the proposed use.

f) The application, project plans, and related support materials submitted by the project applicant to the County of Monterey HCD-Planning for the proposed development found in Project File Nos. PLN240077 and PLN100338.

3. FINDING: **HEALTH AND SAFETY -** The establishment, maintenance, or operation of the project will not under the circumstances of this particular case be detrimental to the health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood of such proposed use nor will it be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.

EVIDENCE: a) All necessary public facilities are available to the Proposed Project. Water and sewer service will be provided by California American Water and the Carmel Area Wastewater District through the Pebble Beach Community Services District. The Environmental Health Bureau reviewed the project application and did not impose conditions pertaining to water, sewer, or solid waste. A water permit from the Monterey Peninsula Water Management District is required prior to the issuance of a building permit.

b) The Proposed Project includes construction of one structure designed for residential use. Emergency services are available. Building permits will be required to ensure the building is designed and built in accordance with California Building Standards. Geotechnical engineers have provided recommendations for the development that will be incorporated. Finally, there are no known hazards that may impact the health and safety of area residents.

c) The application, project plans, and related support materials submitted by the project applicant to the County of Monterey HCD - Planning for the proposed development found in Project File PLN240077.

4. FINDING: **TREE REMOVAL** – The siting, location, size, and design has been established to minimize tree removal and has been limited to that required for the overall health and long-term maintenance of the property.

EVIDENCE: a) Three Monterey Cypress trees will be removed as part of this project. In accordance with the applicable policies of the Del Monte Forest Coastal Implementation Plan, (DMF CIP), a Coastal Development Permit is required; the criteria to grant said permit have been met.

b) Pursuant to Section 20.147.050.B.1 of the DMF CIP, an Arborist Report and Forest Management Plan was prepared for the project (PLN100338; Planning Library Doc. No. LIB100394). The arborist report evaluated the health, structure, and preservation suitability for each tree within or adjacent to the proposed development. The report noted that two trees would be moved from the proposed building footprint to another location near the house. A qualified Arborist reviewed the currently proposed design and proposed to move these trees to a nearby location on the subject parcel. The two trees are estimated to be 22 and 16 inches in diameter. A third 4-inch diameter Cypress tree will also be relocated. In accordance with the applicable policies of DMF CIP, a Coastal Development Permit is required for the three living trees.

c) All three Cypress trees were involved in Coastal Development Permit and Restoration Plan (Planning Commission Resolution No. 13-021 for PLN100418), approved for the subject parcel. One of the trees is a replanted tree required pursuant to the resolution to clear a code violation (CE090788) for tree

removal without benefit of permit, identified herein as T12. Therefore, Condition No. 7 requires the relocation of the previously replanted tree, T12, to be regulated per the conditions of Resolution No. 13-021 (quarterly monitoring of the replacement trees by a qualified arborist for 3 years and annual monitoring for an additional 2 years, replanting as needed). The two other trees proposed for relocation with this project (identified in the Plans attached to this Resolution as T4 and T5) were involved in PLN100418 as trees that were "significantly pruned" and were required to be monitored for canopy decline. The trees had been monitored for canopy decline and showed success in quarterly monitoring reports. Therefore, Cypress trees T4 and T5 may be relocated to accommodate the construction of this project and shall be monitored for 3 years with quarterly reporting and annual monitoring for an additional 2 years, replanting as needed. Arborist shall attend a preconstruction meeting and be present for relocations and any replacement tree planting (Condition 7).

d) The Proposed Project has been designed and sited to minimize the removal of protected trees to the greatest extent possible under the circumstances. Several native Monterey Cypress trees are to the north of the proposed construction site. Relocating the proposed dwelling and courtyard to the south or west would result in a more substantial amount of development on slopes exceeding 30 percent or on areas of sand dune habitat (ESHA). Relocating the dwelling to any location other than the previous dwelling footprint was not allowed in the entitlement for the Coastal Administrative Permit for the project pursuant to Board of Supervisors Resolution No. 23-237. To that end, the removal of trees within the proposed development area is related to infill of the Connell House courtyard, which allows a different architectural design to be followed and property owner rights to be respected, while still following the Board's direction. The proposed structure does not mimic the U-shape of the Connell House. Instead, the Proposed Project will fill in the remainder of the former courtyard. This proposed equal exchange is reasonable. It would necessitate moving one Cypress tree from the courtyard area. which would become the garage, and a second from immediately next to it, where a driveway is proposed to approach the garage. Applicant justifies the relocation of the 4-inch diameter Cypress trees outside of the developed area as an accommodation to the construction work area.

e) Measures for protection of trees during construction are incorporated as Condition No. 5. If transplanting or trimming of the existing trees for construction activities results in a declining or dead condition, Condition No. 7 requires a minimum of one-to-one onsite tree replacement with approval of a Coastal Development Permit.

f) The Cypress trees will be replanted near the proposed dwelling and/or other existing Cypress trees and not in the sand dune area required to be restored as sand dune habitat pursuant to Mitigation Measures required for the related development entitlements in PLN100338.

g) Scenic visual resources are not negatively impacted because the two larger trees proposed for replanting are behind the Connell House footprint and their new locations would be behind the proposed house, thereby only slightly altering the viewshed. Condition No. 7 requires a qualified arborist to monitor the canopy to ensure the quality of screening is not reduced by more than 50 percent because of tree decline/trimming. Furthermore, the smallest of the trees proposed for replanting is to the south of the Connell House footprint; the new location would be less than 20 feet farther away from the house footprint, thereby only slightly altering the viewshed.

h) One of the trees that was replanted in front of the Connell House pursuant to Planning Commission Resolution No. 13-021 failed after several replanting efforts and monitoring. Therefore, the related project PLN100338 brought forward the requirement of replanting of the tree in a similar location. Board Resolution No. 23-237 Condition No. 16 requires the owner/applicant to cause a 48-inch box Cypress tree to be planted in a location that will provide screening of the new development when viewed from Fanshell Beach and 17-Mile Drive. The tree shall replace the large Monterey Cypress tree which was previously removed from the property and was not successfully replanted per the after-the-fact Planning Permit (PLN100418, Reso. No. 13-021) to clear a code violation for tree removal (CE090788). (This tree planting was not illustrated in the attached Tree Relocation and Protection Plan.)

i) The previous arborist report for PLN100338 found the Cypress trees proposed for relocation were previously planted and were not considered part of the “Cypress Forest” designated as an Environmentally Sensitive Habitat in the Del Monte Forest area. No significant long-term effects on the forest ecosystem are anticipated. The Proposed Project will not significantly reduce the availability of wildlife habitat over the long term as the site has surrounding forested areas that are to remain untouched.

j) Staff conducted a site inspection on August 5, 2024 to verify that the tree removal is the minimum necessary for the Proposed Project.

k) The application, plans, and supporting materials submitted by the project applicant to County of Monterey HCD-Planning for the proposed development are found in Project File No. PLN240077. Reference also Project File Nos. PLN100338 and PLN100418.

5. FINDING: **VIOLATIONS –** The subject property is in compliance with all rules and regulations pertaining to zoning uses, subdivision, and any other applicable provisions of the County's zoning ordinance. No violations exist on the property.

a) Staff reviewed County of Monterey HCD records and is not aware of any violations existing on the subject property. The site is currently clear of debris from the previously removed structure and has erosion controls in place where the residence had been. Natural and disturbed vegetation is also present on the parcel.

b) The project planner a conducted a site inspection on August 5, 2024, to verify that no violations exist on the property.

c) The application, plans, and supporting materials submitted by the project applicant to the County of Monterey HCD-Planning for the proposed development are found in Project File No. PLN240077.

6. FINDING: **CEQA (CONSIDER PREVIOUSLY CERTIFIED FINAL EIR, RECIRCULATION NOT WARRANTED) –** Public Resources Code section 21080(d) and California Environmental Quality Act (CEQA) Guidelines section 15064(a)(1) require environmental review if the lead agency finds that, in light of the whole record before it, there is substantial evidence that the project may have a significant effect on the environment. The County prepared a Final EIR dated October 2022 for PLN100338. The Final EIR responds to comments received during the Draft EIR circulation period of August 22, 2018 to October 12, 2018. Through adoption of Resolution No. 23-236, the Board of Supervisors certified the Final EIR. Pursuant to CEQA Guidelines Section 15162, when an EIR has been certified, no subsequent EIR shall be prepared for the project unless the agency determines that substantial changes are proposed, or substantial changes occur with respect to the circumstances under which the project is undertaken.

EVIDENCE: a) The PLN100338 permit was granted subject to 42 conditions of approval that run with the land (condition number 31 was removed by the Board action and is still enumerated without condition requirements, as "reserved"). The applicant has complied with all the measures and conditions of PLN100338 in timely fashion pursuant to the recorded Mitigation Monitoring and Reporting Plan Agreement (Document No. 2023029686).

b) The previous single family dwelling was an Historic Resource at the State and Federal level, but not the local level (Monterey County Code Chapter 18.85 requires owner agreement to local listing). Although the EIR found impacts to Historic Resources to be significant with mitigation measures applied, the Board supported demolition in this case and found that there was

sufficient evidence to support a Statement of Overriding Consideration (Resolution No. 23-237). Mitigation Measures for Historic Resources were applied to PLN100338, including HR/MM-1.1 (Historic American Buildings Survey) and HR/MM-1.2 (Connell House Web Page), both of which have been complied with prior to the hearing for PLN240077.

c) Issues that were analyzed in the EIR include Aesthetics, Agricultural Resources, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology, Seismicity, and Soils, Hazards and Hazardous Materials, Historical Resources, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Noise, Paleontological Resources, Population and Housing, Public Services, Utilities, Recreation, and Transportation and Traffic. The EIR identified potential impacts that would be less than significant or could be mitigated to a less than significant level associated with all topics, except impacts to Historical Resources, which cannot be mitigated to less than significant levels if a project that involved demolition is chosen. As described in these findings and in the EIR, mitigation measures that avoid or substantially lessen the impacts to Aesthetics, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology and Soils, Hazards and Hazardous Materials, Hydrology and Water Quality, and Noise have been incorporated (see Finding No. 6). For the impact identified as significant and unavoidable, all feasible mitigation measures have been incorporated, but even with such mitigation, the impacts remain significant.

d) The subject property contains coastal dune habitat and wetland habitat. In accordance with CIP section 20.147.040.B, a Biological Resource Assessment and Supplemental Biological Resources Assessment was prepared (Michael Zander, June 8, 2010 and June 23, 2011, HCD Library File No. LIB100396). Based on those reports, potential impacts were evaluated in the project EIR. The EIR recommended restoration actions for the original project scope, which was a much larger house that was found to have direct and indirect impacts on biological resources. The EIR found that the Reduced Project Alternative would not impact a significant amount of ESHA. Thus, Board Resolution Nos. 23-236 (EIR) and 23-237 (Approval of a conceptual Reduced Project Alternative) found BIO/MM-3.9 (Offsite restoration of sand dune habitat) extraneous, and both it and its monitoring action BIO/MMA-3.9.1 were removed. The Project's site review Coastal Administrative Permit was approved with voluntary restoration of approximately 1.67 acres of sand dune habitat on the project site and monitoring the restoration success for five years. Mitigation measures applied to the Combined Development Permit (PLN100338) accomplish the restoration and avoidance of impacts to biological resources through BIO/MM-2.1 (Restoration

Monitor Funding Agreement), BIO/MM-2.2 (Environmental Awareness Training), BIO/MM-2.3 (Surveys for California Legless Lizard and Other Reptiles), BIO/MM-2.4 (California Legless Lizard Best Management Practices, "BMPs"), BIO/MM-2.5 (Nesting Bird Survey and Buffer Zone), BIO/MM-2.6 (Active Bird Nest Buffer), BIO/MM-3.2 (Dune Restoration Plan Bond), BIO/MM-3.3 (Monitoring Contract), BIO/MM-3.4 (Fencing that Excludes Adjacent ESHA), BIO/MM-3.5 (Stockpiles and Staging Areas BMPs), BIO/MM-3.6 (Control Stormwater or Wastewater Outfall), BIO/MM-3.7 (Plant Species Landscape Plan), BIO/MM-3.8 (Landscape Plan Substrates), BIO/MM-4.1 (100-FT Buffer Zone from Juncus Articus Herbaceous Alliance Vegetation), and BIO/MM-4.2 (Coastal Wetland Perimeter Flagging). Furthermore, a Coastal Development Permit for development within 100 feet of ESHA was approved with the Combined Development Permit for PLN100338.

e) The subject property is in a high archaeological resource sensitivity area. In accordance with CIP section 20.147.080.B, a Phase 1 Archaeological Report was prepared (Doane and Breschini, February 2, 2012, HCD Library File No. LIB100397). Due to the project's proximity to known archaeological and tribal cultural resources, the EIR prepared for PLN100338 recommended measures for avoidance of impacts on cultural and tribal cultural resources. The development entitled under PLN100338 included Mitigation Measures that required archaeological resource/artifact training for construction personnel (AR/MM-1.1), an onsite archaeological monitoring plan to be developed (AR-MM-1.2) with active monitoring (AR/MM-1.3) and directed action if human remains are exposed during construction (AR/MM-2.1). These are active conditions of approval for PLN100338.

f) As described in Finding 1, Evidence "e," Board of Supervisors Reso. No. 23-037 Condition No. 23 is augmented by Condition No.10 of this permit. Condition No. 23 was for a Conservation and Scenic Easement to be required on the restored area of the parcel in 2:1 ratio to the area impacted by development (including construction impacts). To ensure long term protection of sand dune ESHA, a Conservation and Scenic Easement shall cover all areas of the property to the edge of approved dwelling and hardscaped areas. Mitigation Measure BIO/MM-3.1 is strengthened by this permit decision and therefore recirculation is not required.

g) Mitigation Measures applied to PLN100338 include those mentioned above for Biological Resources, Aesthetics, Archaeological and Tribal Cultural Resources, as well as for Air Quality (AQ/GHG/MM-1.1 and AQ/GHG/MM-1.2), Geology and Soils (GEO/MM-1.1), Hazards and Hazardous Materials (HAZ/MM-1.1, HAZ/MM-1.2 and HAZ/MM-1.3)

Hydrology and Water Quality (HYD/MM-1.1 and HYD/MM-2.1) and Noise (NOI/MM-1.1).

h) The Proposed Project is consistent with the FEIR. No new review is needed. None of the conditions described in section 15162 that would trigger preparation of a subsequent EIR have occurred. No new information of significant impacts or exacerbated existing impacts has been presented. Moreover, the EIR analyzed the potential impacts of residential development of the lot including removal of trees and up to 10,008 square feet of structural and hardscape improvements. The Proposed Project includes 7,900 square feet of structural and hardscape improvements and relocation of three trees.

i) The EIR examined eight alternatives and one "no project" alternative to the original project and evaluated them separately, comparing their potential impacts to those of the originally proposed project. This Design Approval is the Reduced Project alternative, Alternative 6. The Proposed Project design is smaller than the project considered in the EIR prepared for PLN100338 in all ways. The original project was 11,933 square feet and two stories with 1,950 square feet of paved areas for a total impervious lot coverage of 10.6 percent. The PLN240077 design lessens building site coverage from 8,058 square feet (8.5 percent) to approximately 4,857 square feet (5.2 percent, includes 180 square foot outside stairwell), lessens Floor Area Ratio from 11,933 square feet (12.6 percent) to 8,290 square feet (8.8 percent), and decreases the combined pervious and impervious coverage by 21 percent (from 10,008 square feet to approximately 7,900 square feet). The original project's maximum height was 30 feet from Average Natural Grade (ANG), while the PLN240077 proposed height is a flat roof that reaches 22 and 25.5 feet from ANG, maximum height is 4.5 feet less. Therefore, the Proposed Project meets the EIR's estimation of a Reduced Project Alternative to the original project.

j) The applicant proposes to introduce an area outside the west edge of the building footprint as "proposed decking at terrace level". BIO/MM-3.7 (Plant species landscape plan) and BIO/MM-3.8 (Landscape plan substrates) require native sand dune species to be planted around the replacement house and for the substrates to be sand dune and not introduced soils. Expansion of the development footprint into an area that contains sand dune is not in keeping with these Mitigation Measures. Therefore, this proposed deck and surface level pavers are not supported pursuant to Condition No. 8.

8. FINDING: **PUBLIC ACCESS** – The Proposed Project conforms with the public access and recreation policies of the Coastal Act (specifically Chapter 3 of the Coastal Act of 1976, commencing with Section 30200 of the Public Resources

Code) and applicable Local Coastal Program, and will not interfere with any form of historic public use or trust rights.

EVIDENCE:

a) No access is required as part of the Proposed Project, as no substantial adverse impact on access, either individually or cumulatively, as described in Del Monte Forest Area CIP Section 20.147.130, can be demonstrated.

b) No evidence or documentation has been submitted or found showing the existence of historic public use or trust rights over this property.

c) The subject property is not identified as an area where the Local Coastal Program requires physical public access (Figure 8, Major Public Access and Recreational Facilities, in the Del Monte Forest Area LUP).

d) The subject project parcel is in an area where the Local Coastal Program requires visual public access (Figure 3, Visual Resources, in the Del Monte Forest Area LUP) and CIP 20.147.070.

e) Based on the project location among large trees, more planned vegetative screening, planned restoration of sand dune habitat, and its topographical relationship to most visual public access points in the area, the development proposal will not interfere with visual access along 17-Mile Drive or from Point Lobos. The proposed design is consistent with CIP section 20.147.070.B.5 in that the placement is on the least visible portion of the property (in distance from 17 Mile Drive) and utilizes non-invasive native vegetation to help provide visual compatibility. Consistent with Del Monte Forest Area LUP Policies 123 and 137, the proposed development as mitigated and conditioned will not block significant public views toward the ocean and will not adversely impact the public viewshed or scenic character in the project vicinity.

f) In certifying the Final EIR, the Board of Supervisors concluded, in concept, that Alternative 6 (Reduced Project) avoids significant adverse impacts on public views and the scenic character (Board Resolution No. 23-236).

g) The application, plans, and supporting materials submitted by the project applicant to County of Monterey HCD-Planning for the proposed development are found in Project File No. PLN240077.

9. FINDING: **VARIANCE –** The Planning Commission finds that this project is a Design Approval in conformance with the Alternative 6 Reduced Project concept approved with a Combined Development Permit by the Board of Supervisors with Resolution No. 23-137. By adhering to the direction of the Board to remain within the building footprint of the Connell House, the project is constructed within the 30-foot front setback. Therefore, a Variance to Coastal Zone Low Density Residential (LDR) setback regulations (Title 20 section 20.14.060). The variance is supported because of special circumstances applicable to subject

property, while it does not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and zoning district. Furthermore, development within the front setback is not a use which is not otherwise expressly authorized by the zone regulation governing the parcel.

EVIDENCE: a) Special circumstances apply to the subject parcel, as the parcel is entirely within sand dune in the Signal Hill enclave of the Del Monte Forest planning area. If the project were to be sited entirely out of the front setback, it would convert additional sand dune to development. Sand dune is environmentally sensitive habitat area (ESHA), as discussed in the project EIR and related project Board of Supervisors resolutions 23-236 and 23-237. Requiring the project to adhere to a 30-foot front setback would conflict with this, a special project circumstance satisfies Title 20 section 20.78.050's first criterion required to obtain a variance.

b) The granting of this variance does not constitute a special privilege for the property owner inconsistent with the limitations upon other properties in the vicinity and zoning district because the requirement to build within the building footprint of the Connell House was Board of Supervisors direction to the property owner/developer. The property owner was prepared to reconstruct within the required yard regulations. The Board's direction could have been a limitation on any property in the Signal Hill enclave of Del Monte Forest planning area.

c) Development within the front setback is not a use which is not otherwise expressly authorized by the zone regulation governing the parcel. LDR zoning district setback regulations specify a 30-foot setback for structural development. Requiring the project to adhere to a less-than-30-foot front setback is not expressly authorized by LDR zoning district, so this satisfies Title 20 section 20.78.050's third criterion required to obtain a variance.

10. FINDING: **APPEALABILITY -** The decision on this project may be appealed to the Board of Supervisors and the California Coastal Commission.

EVIDENCE: a) Board of Supervisors. Pursuant to Title 20, Section 20.86.030, an appeal may be made to the Board of Supervisors by any public agency or person aggrieved by a decision of an Appropriate Authority other than the Board of Supervisors.

b) Coastal Commission. Pursuant to Title 20, Section 20.86.080.A, the project is subject to appeal by/to the California Coastal Commission because it involves development between the sea and the first through public road paralleling the sea (i.e., State Route/Highway 1).

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DECISION

NOW, THEREFORE, based on the above findings and evidence and the administrative record as a whole, the Planning Commission does hereby take the following actions:

1) Considering the previously certified Final Environmental Impact Report (FEIR) (SCH#2015021054) for the Signal Hill LLC project, and find that the Proposed Project is consistent with Alternative 6 of the FEIR and does not warrant an addendum pursuant to CEQA Guidelines section 15162; and
2) Approving a:
   a) Design Approval for construction of an approximately 8,290 square foot two-story single family dwelling inclusive of a three-car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof, with an approximately 180 square foot outdoor stair well and 693 square feet of terrace (the "Reduced Project," Alternative 6 of the Final EIR);
   b) Coastal Development Permit to allow the relocation of three Cypress trees; and
   c) Variance for development in front setback.

All work must be in general conformance with the attached plans, and this approval is subject to 10 conditions of approval, all being attached hereto and incorporated herein by reference.

PASSED AND ADOPTED this 30th day of April 2025, upon motion of Commissioner Diehl seconded by Commissioner Roberts, by the following vote:

AYES:	Getzelman, Mendoza, Gomez, Diehl, Hartzell, Gonzalez, Work, Monsalve, Shaw, Roberts
NOES:	None
ABSENT:	None
ABSTAIN:	None

DocuSigned by:
Melanie Beretti
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Melanie Beretti, AICP
Planning Commission Secretary

COPY OF THIS DECISION MAILED TO APPLICANT ON **MAY 15, 2025**.

THIS APPLICATION IS APPEALABLE TO THE BOARD OF SUPERVISORS.

IF ANYONE WISHES TO APPEAL THIS DECISION, AN APPEAL FORM MUST BE COMPLETED AND SUBMITTED TO THE CLERK TO THE BOARD ALONG WITH THE APPROPRIATE FILING FEE ON OR BEFORE **MAY 27, 2025**.

THIS PROJECT IS LOCATED IN THE COASTAL ZONE AND IS APPEALABLE TO THE COASTAL COMMISSION. UPON RECEIPT OF NOTIFICATION OF THE FINAL LOCAL ACTION NOTICE (FLAN) STATING THE DECISION BY THE FINAL DECISION-MAKING BODY, THE COMMISSION ESTABLISHES A 10 WORKING DAY APPEAL PERIOD. AN APPEAL FORM MUST BE FILED WITH THE COASTAL COMMISSION. FOR FURTHER INFORMATION, CONTACT THE COASTAL COMMISSION AT (831) 427-4863 OR AT 725 FRONT STREET, SUITE 300, SANTA CRUZ, CA.

Docusign Envelope ID: 8B3D4731-43A0-4FED-BE43-D5896D8E39CE

This decision, if this is the final administrative decision, is subject to judicial review pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6. Any Petition for Writ of Mandate must be filed with the Court no later than the 90th day following the date on which this decision becomes final.

NOTES:

1. You will need a building permit and must comply with the Monterey County Building Ordinance in every respect.

   Additionally, the Zoning Ordinance provides that no building permit shall be issued, nor any use conducted, otherwise than in accordance with the conditions and terms of the permit granted or until ten days after the mailing of notice of the granting of the permit by the appropriate authority, or after granting of the permit by the Board of Supervisors in the event of appeal.

   Do not start any construction or occupy any building until you have obtained the necessary permits and use clearances from County of Monterey HCD-Planning and HCD-Building Services offices in Salinas.

2. This permit expires 3 years after the above date of granting thereof unless construction or use is started within this period.

County of Monterey HCD Planning

Conditions of Approval/Implementation Plan/Mitigation Monitoring and Reporting Plan

PLN240077

1. PD001 - SPECIFIC USES ONLY

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: This Design Approval and Coastal Development Permit (PLN240077) allows construction of a 8,290 square foot two-story single family dwelling inclusive of a three car garage with colors and materials of light brown stucco body and black metal clad wood accents and a gravel roof, with an approximately 180 square foot stair well and 693 square feet of terrace (the "Reduced Project", Alternative 6 of the Final EIR), relocation of three Cypress trees, and Variance for structural development within the front setback. The property is located at 1170 Signal Hill Road (Assessor's Parcel Number 008-261-007-000), Del Monte Forest Land Use Plan. This permit was approved in accordance with County ordinances and land use regulations subject to the terms and conditions described in the project file. Neither the uses nor the construction allowed by this permit shall commence unless and until all of the conditions of this permit are met to the satisfaction of the Director of HCD - Planning. Any use or construction not in substantial conformance with the terms and conditions of this permit is a violation of County regulations and may result in modification or revocation of this permit and subsequent legal action. No use or construction other than that specified by this permit is allowed unless additional permits are approved by the appropriate authorities. To the extent that the County has delegated any condition compliance or mitigation monitoring to the Monterey County Water Resources Agency, the Water Resources Agency shall provide all information requested by the County and the County shall bear ultimate responsibility to ensure that conditions and mitigation measures are properly fulfilled. (HCD - Planning)

Compliance or Monitoring Action to be Performed: The Owner/Applicant shall adhere to conditions and uses specified in the permit on an on-going basis unless otherwise stated.

2. PD002 - NOTICE PERMIT APPROVAL

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: The applicant shall record a Permit Approval Notice. This notice shall state:
"A Design Approval and Coastal Development Permit (Resolution Number 25-012) was approved by the Planning Commission for Assessor's Parcel Number 008-261-007-000 on April 30, 2025. The permit was granted subject to ten conditions of approval which run with the land. A copy of the permit is on file with Monterey County HCD - Planning."

Proof of recordation of this notice shall be furnished to the Director of HCD - Planning prior to issuance of grading and building permits, Certificates of Compliance, or commencement of use, whichever occurs first and as applicable. (HCD - Planning)

Compliance or Monitoring Action to be Performed: Prior to the issuance of grading and building permits, certificates of compliance, or commencement of use, whichever occurs first and as applicable, the Owner/Applicant shall provide proof of recordation of this notice to the HCD - Planning.

3. CC01 INDEMNIFICATION AGREEMENT

Responsible Department: County Counsel-Risk Management

Condition/Mitigation Monitoring Measure: Owner/Applicant agrees as a condition and in consideration of approval of this discretionary development permit that it will, pursuant to agreement and/or statutory provisions as applicable, including but not limited to Government Code section 66474.9, defend, indemnify, and hold harmless the County of Monterey and/or its agents, officers, and/or employees from any claim, action, or proceeding against the County and/or its agents, officers, and/or or employees to attack, set aside, void, or annul this approval and/or related subsequent approvals, including, but not limited to, design approvals, which action is brought within the time provided for under law. Owner/Applicant shall reimburse the County for any court costs and attorney's fees that the County may be required by a court to pay as a result of such action.

The County shall notify Owner/Applicant of any such claim, action, and/or proceeding as expeditiously as possible. The County may, at its sole discretion, participate in the defense of such action. However, such participation shall not relieve Owner/Applicant of his/her/its obligations under this condition. Regardless, the County shall cooperate fully in defense of the claim, action, and/or proceeding.

(County Counsel-Risk Management)

Compliance or Monitoring Action to be Performed: This Indemnification Obligation binds Owner/Applicant from the date of approval of this discretionary development permit forward. Regardless, on written demand of the County County's Office, Owner/Applicant shall also execute and cause to be notarized an agreement to this effect. The County Counsel's Office shall send Owner/Applicant an indemnification agreement. Owner/Applicant shall submit such signed and notarized Indemnification Agreement to the Office of the County Counsel for County's review and signature. Owner/Applicant shall then record such indemnification agreement with the County of Monterey Recorder's Office. Owner/Applicant shall be responsible for all costs required to comply with this paragraph including, but not limited to, notary costs and Recorder fees.

4. PD011(A) - TREE REMOVAL

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: Tree removal shall not occur until a construction permit has been issued in conformance with the appropriate stage or phase of development in this permit. Only those trees approved for removal shall be removed. (HCD-Planning)

Compliance or Monitoring Action to be Performed: Prior to tree removal, the Owner/ Applicant/ Tree Removal Contractor shall demonstrate that a construction permit has been issued prior to commencement of tree removal.

5. PD011 - TREE AND ROOT PROTECTION

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: Trees which are located close to construction site(s) shall be protected from inadvertent damage from construction equipment by fencing off the canopy driplines and/or critical root zones (whichever is greater) with protective materials, wrapping trunks with protective materials, avoiding fill of any type against the base of the trunks and avoiding an increase in soil depth at the feeding zone or drip-line of the retained trees. Said protection, approved by certified arborist, shall be demonstrated prior to issuance of building permits subject to the approval of HCD - Director of Planning. If there is any potential for damage, all work must stop in the area and a report, with mitigation measures, shall be submitted by certified arborist. Should any additional trees not included in this permit be harmed, during grading or construction activities, in such a way where removal is required, the owner/applicant shall obtain required permits. (HCD - Planning)

Compliance or Monitoring Action to be Performed: Prior to issuance of grading and/or building permits, the Owner/Applicant shall submit evidence of tree protection to HCD - Planning for review and approval.

During construction, the Owner/Applicant/Arborist shall submit on-going evidence that tree protection measures are in place through out grading and construction phases. If damage is possible, submit an interim report prepared by a certified arborist.

Prior to final inspection, the Owner/Applicant shall submit photos of the trees on the property to HCD-Planning after construction to document that tree protection has been successful or if follow-up remediation or additional permits are required.

6. PW0044 - CONSTRUCTION MANAGEMENT PLAN

Responsible Department: Public Works

Condition/Mitigation Monitoring Measure: The applicant shall submit a Construction Management Plan (CMP) to HCD-Planning and HCD-Engineering Services for review and approval. The CMP shall include measures to minimize traffic impacts during the construction/grading phase of the project.

CMP shall include, at a minimum, duration of the construction, hours of operation, truck routes, estimated number of truck trips that will be generated, number of construction workers, and on-site/off-site parking areas for equipment and workers and locations of truck staging areas. Approved measures included in the CMP shall be implemented by the applicant during the construction/grading phase of the project. (Public Works)

Compliance or Monitoring Action to be Performed: 1. Prior to issuance of the Grading Permit or Building Permit, Owner/Applicant/Contractor shall prepare a CMP and shall submit the CMP to the HCD-Planning and HCD- Engineering Services for review and approval.

2. On-going through construction phases Owner/Applicant/Contractor shall implement the approved measures during the construction/grading phase of the project.

7. PD048 - TREE REPLACEMENT/RELOCATION

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: The applicant shall relocate each tree approved for relocation as shown in the approved plans for the project. (The applicant shall also plant a 48-inch box Cypress tree of native stock as required by PLN100338/Board Resolution no. 23-137, which is not shown in these approved plans but is still required.)

A qualified Arborist shall be included in a preconstruction meeting and oversee the relocation of trees T4, T5 and T12 as shown in the approved plans and the replanting of the replacement tree (Condition No. 16 of Board Reso. no. 23-137). The arborist shall monitor the health and vigor of T4 and T5 quarterly for a three-year period, then annually for two additional years to ensure survival. If the arborist determines that the relocated trees are in poor vigor or the canopy has reduced by 50 percent or more, the arborist will recommend management actions to remedy the concerns. The arborist may require additional tree planting due to tree failure or to make up for lost canopy to screen the development. The replacement trees shall be Monterey cypress, 36-inch box size or larger. The trees may only be removed with the approval of a Coastal Development Permit.

Cypress tree T12 is a replanted tree pursuant to Planning Commission Resolution No. 13-021. Therefore, monitoring for survival and vigor shall be implemented pursuant to the tree replanting conditions of that permit for T12. This includes quarterly monitoring of the replacement trees by a Certified Arborist for 3 years and annual monitoring for minimum of 5 years, with replanting from Pebble Beach area Cypress stock, as needed. The applicant or applicant's representative shall implement the arborist recommendation(s) within one month of receiving the recommendation. The monitoring program shall remain in place for five years or until such time as the tree canopy of the replacement trees approximates the 2007 tree canopy, whichever is longer. If any relocated trees die, the applicant shall replace the tree(s) at a 1:1 ratio. Replacement tree(s) shall be located within the same general location as the tree being removed. (HCD - Planning)

Compliance or Monitoring Action to be Performed:

A qualified Arborist shall be included in a preconstruction meeting. Applicant/Owner shall submit to HCD-Planning for review and approval a sign-in sheet from the preconstruction meeting that includes names and company information.

Prior to construction permit issuance, Applicant/Owner shall submit to HCD-Planning for review and approval a contract Scope of Work with a qualified Arborist that includes the requirements of this condition.

Qualified Arborist shall oversee and report on tree relocation activities, including photographs of the relocation of the trees. As evidence that this has been completed, Applicant/Owner shall submit an "as planted" plan prepared by a the arborist showing the location of the replacement trees, protective measures that have been installed,
species, size and any irrigation/hand watering plan.
Qualified Arborist shall perform a monitoring program including at a minimum:
1) Quarterly monitoring inspections by qualified Arborist of all relocated/planted trees for a minimum of 3 years and annual inspections for a minimum of 2 additional years (total of 5 years monitoring).
2) A report by the arborist documenting the findings of each inspection shall be submitted to HCD-Planning for review and approval within one month of each inspection. The first quarterly inspection report for monitoring of trees is due 4 months after the relocation planting of the trees.
Should the monitoring reports conclude that replanting shall be required, replacement tree(s) from Pebble Beach Cypress tree stock shall be planted within the same general location as the tree(s) that failed. The applicant or applicant's representative shall implement the arborist recommendation(s) within one month of receiving the recommendation. The monitoring program shall remain in place for five years or until such time as the tree canopy of the replacement trees approximates the 2007 tree canopy, whichever is longer.

8. PDSP001: NO NEW DECK OR PAVERS ON/ABOVE SAND DUNE

Responsible Department: Planning

Condition/Mitigation Monitoring Measure:

The Exhibit B to the April 30, 2025 Staff Report to the Planning Commission introduce an area outside the west edge of the building footprint (shown in green), labeled as "proposed decking at terrace level". BIO/MM-3.7 (Plant species landscape plan) and BIO/MM-3.8 (Landscape plan substrates) require native sand dune species to be planted around the replacement house and for the substrates to be sand dune and not introduced soils. Expansion of the development footprint into an area that contains sand dune is not in keeping with these Mitigation Measures. Therefore, this proposed deck and surface level pervious pavers are not supported and shall be removed from the project. (HCD-Planning)

Compliance or Monitoring Action to be Performed:

Construction permit plans shall not include the "proposed decking at terrace level" and pervious pavers on sand dune areas on the west edge of the proposed dwelling that are suggested in Exhibit B toto the April 30, 2025 Staff Report to the Planning Commission. This area shall be landscaped pursuant to BIO/MM-3.7 (Plant species landscape plan) and BIO/MM-3.8 (Landscape plan substrates). A landscape plan shall be included in the construction plan submittal for review and approval by HCD-Planning.

9. PDSP002: CONFORMANCE WITH CONDITIONS OF APPROVAL FOR PLN100338

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: Per Condition No. 43 of PLN100338, a Mitigation Monitoring and Reporting Plan (MMRP) Agreement was prepared by staff and County Counsel, signed and notarized by the Applicant and the HCD Director, and recorded by the Applicant as County Document No. 2023029686. PLN240077, as permitted through Resolution No. 25-012, is related to the Combined Development Permit approved by the Board of Supervisors on June 27, 2023, with Board Resolution Nos. 23-036 and 23-037. Work authorized under this Permit must comply with the Conditions of Approval/Mitigation Monitoring and Reporting Plan for PLN100338, as memorialized in the MMRP Agreement prepared for PLN100338, Document No. 2023029686. This condition of approval memorializes that the Conditions of Approval/Mitigation Monitoring and Reporting Plan approved through those resolutions will continue as formalized in the MMRP Agreement, and this project and its conditions of approval are added to and in general conformance with them.

Compliance or Monitoring Action to be Performed: Comply with all COA herein and the Conditions of Approval/Mitigation Monitoring and Reporting Plan as formalized by the MMRP Agreement (County Document No. 2023029686).

10. PD022(B) - EASEMENT-CONSERVATION & SCENIC IN THE DEL MONTE FOREST

Responsible Department: Planning

Condition/Mitigation Monitoring Measure: A conservation and scenic easement shall be conveyed to the Del Monte Forest Conservancy over those portions of the property where environmentally sensitive habitats, remnant native sand dune habitats, habitats of rare, endangered and sensitive native plants and animals, and visually prominent areas exist in accordance with the procedures in Monterey County Code § 20.64.280.A. The easement conveyance shall include funding adequate to ensure the management and protection of the easement area over time. The easement shall be developed in consultation with a certified professional and the Del Monte Forest Conservancy Inc. A Subordination Agreement shall be required, where necessary. These instruments shall be subject to approval by the County as to form and content, shall provide for enforcement, if need be, by the County or other appropriate agency, and name the County as beneficiary in event the Conservancy is unable to adequately manage these easements for the intended purpose of scenic and visual resource protection. An easement deed shall be submitted to, reviewed, and approved by the Director of HCD - Planning and the Executive Director of the California Coastal Commission, and accepted by the Board of Supervisors prior to recording the parcel/final map or prior to issuance of grading and building permits. (HCD - Planning)

Compliance or Monitoring Action to be Performed: Prior to recording the parcel/final map or prior to the issuance of grading and building permits, the Owner/Applicant/Certified Professional shall submit the conservation and scenic easement deed and corresponding map, showing the exact location of the easement on the property along with the metes and bound description developed in consultation with a certified professional, to the to the Del Monte Forest Conservancy for review and approval.

Prior to recording the parcel/final map or prior to the issuance of grading and building permits, the Owner/Applicant/Certified Professional shall submit the conservation and scenic easement deed and corresponding map, showing the exact location of the easement on the property along with the metes and bound description developed in consultation with a certified professional, to HCD - Planning for review and approval.

Prior to recording the parcel/final map or prior to the issuance of grading and building permits, the Owner/Applicant, shall submit a signed and notarized Subordination Agreement, if required, to HCD - Planning for review and approval

Prior to or concurrent with recording the parcel/final map, prior to the issuance of grading and building permits, or commencement of use, the Owner/Applicant shall record the deed and map showing the approved conservation and scenic easement. Submit a copy of the recorded deed and map to HCD-Planning.

SITE PLAN SCALE. 1/16"=1'-0"

0 10 20 40 80

LEGAL DESCRIPTION:

SUBDIVISION:	EL PESCADERO RHO
PLANNING AREA:	GREATER MONTEREY PENINSULA
AREA PLAN:	DEL MONTE FOREST LAND USE PLAN
COUNTY FILE NUMBER:	PLN100338L
ADDRESS:	1170 SIGNAL HILL DRIVE PEBBLE BEACH, CA 93953
ACCESSOR'S PARCEL No.:	008-267-007
LOT No.:	35
ZONING:	LDR/1.5-D (CZ)
USE:	SINGLE FAMILY RESIDENTIAL

LOT COVERAGE

LOT SIZE: 2,165 Acres - (94,307 s.f.)

MAXIMUM ALLOWABLE BUILDING COVERAGE (per code):= 15%

94,307 s.f. X 15%= 14,146 s.f.

IMPERVIOUS LOT COVERAGE:

BUILDING FOOT PRINT.	4,677.00 s.f.
DRIVEWAY	1,610.00 s.f.
HARDSCAPE	
Terrace	693.00 s.f.
Stair Well	179.00 s.f.
TOTAL:	7,159.00 s.f. = 7.59%

FLOOR AREA

MAXIMUM ALLOWABLE FLOOR AREA - (LDR/1.5D.): 17.5%

ALLOWABLE FLOOR AREA:

94,307 s.f.x 17.5% = 16,504 s.f.

PROPOSED FLOOR AREA / RADIO:

LOWER LEVEL:	3,719.40 s.f.
FIRST FLOOR (w/GARAGE:)	4,569.90 s.f.
TOTAL FLOOR AREA:	8,289.30 s.f./94,307 =8.79%

BUILDING HEIGHT

MAXIMUM ALLOWABLE HEIGHT - (LDR/1.5D.): 30 FEET

HEIGHT CALCULATION

HIGH POINT OF NATURAL GRADE:	105.00'
LOW POINT OF NATURAL GRADE:	98.00'
DIFERENCIAL:	7.00'

AVERAGE GRADE: 7.00'/2 = 3.5' + 98.0' = 101.50'

ACTUAL HEIGHT ELEVATION: 101.50' + 25.50 ' = 127.0'

TREE RELOCATION

3 TREES TO BE RELOCATED

GRADING CUT/FILL (see civil drawings)

CUT	780 CY
FILL	500 CY
EXPORT	280 CY

REQUIRED PARKING

REQUIRED PARKING FOR SINGLE FAMILY DWELLING:	2 CARS
PARKING SPOTS PROVIDED.	3 CARS

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www.legorretalegorreta.com

GRADES.

- DIMENSION IN FEET.
- LEVELS IN FEET.
- NO DIMENSIONS WILL BE TAKEN TO THE SCALE OF THIS PLANE.
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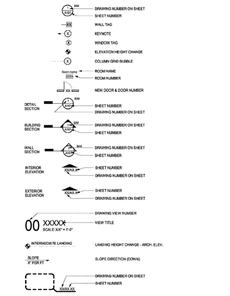
GENERAL/ CONSTRUCTION

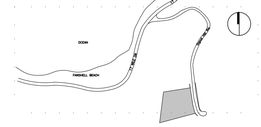


PLAN KEY NOTES ⓧ -

REVISIONS

NO.	DESCRIPTION	DATE

LOCATION



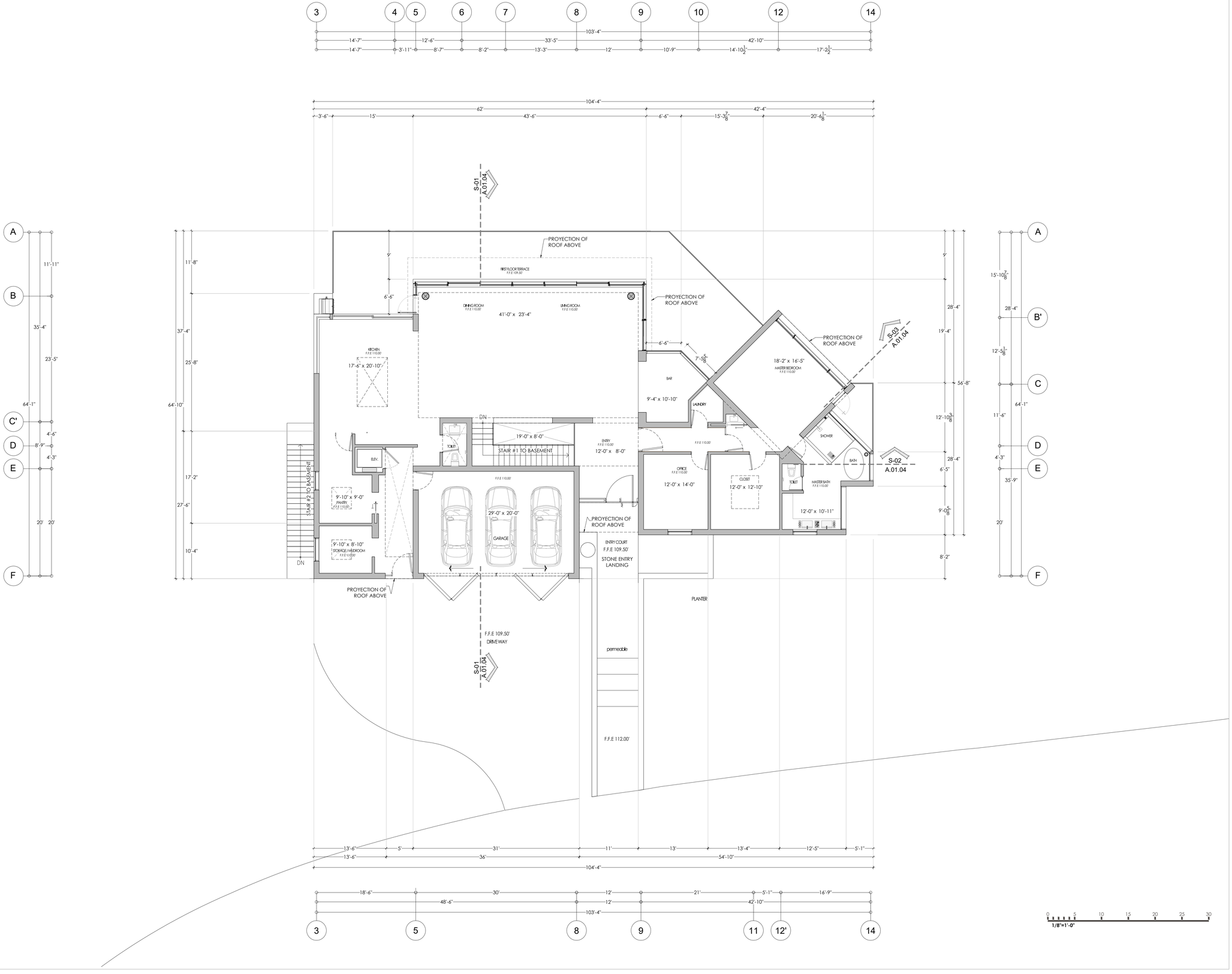
MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

SITE PLAN

SCALE	DATE
1/16"=1'-0"	3/5/25

A.00.01 SITE PLAN



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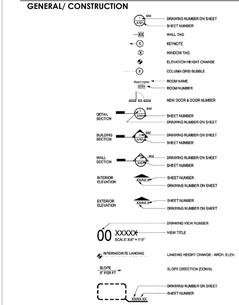

PLAN KEY NOTES ⓪ -

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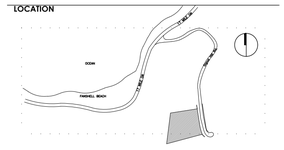

MASSY HOUSE

LOT No. 35
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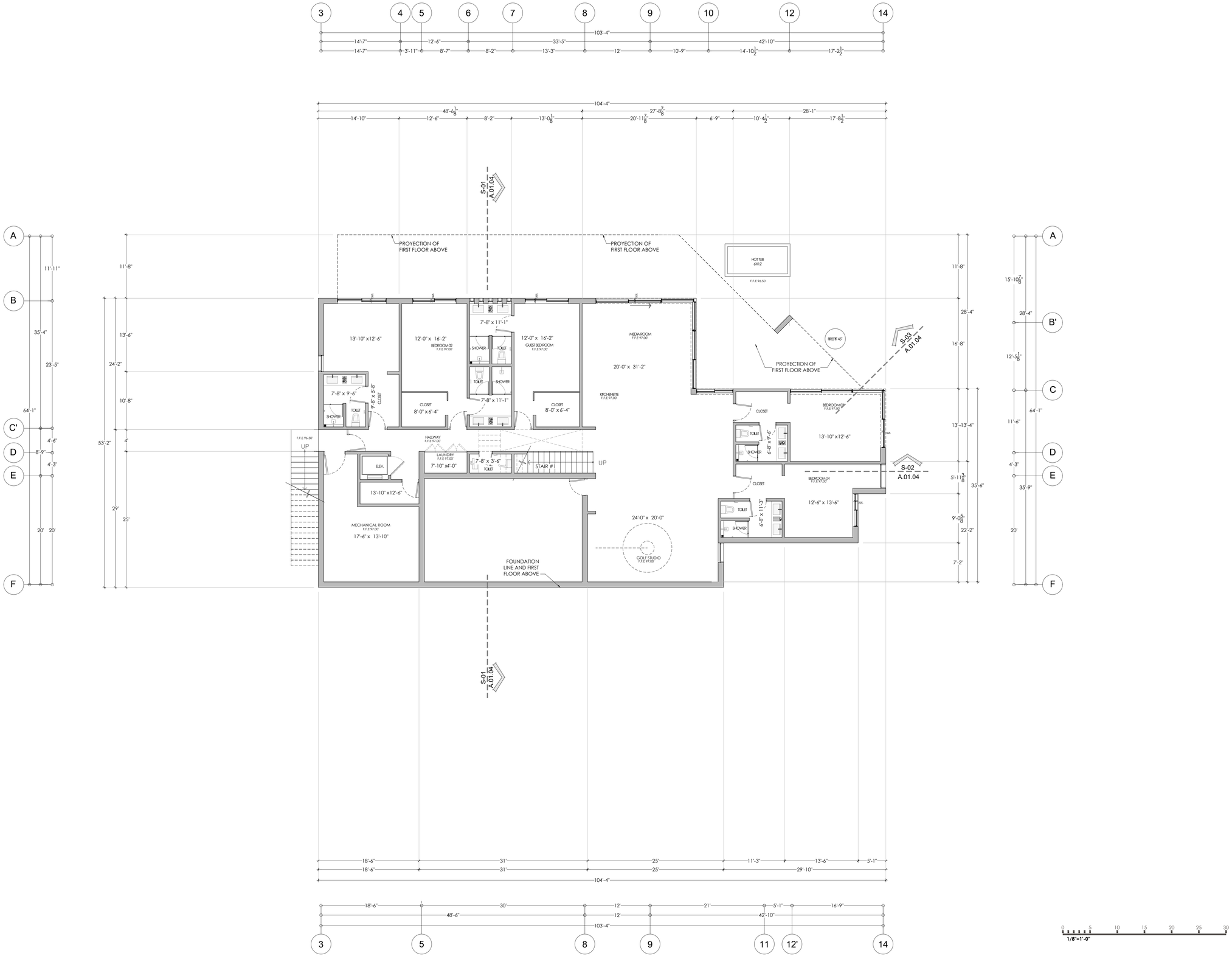
PEBBLE BEACH, CA 93953

ARCHITECTURAL PLAN
FIRST FLOOR

SCALE	DATE
1/8"=1'-0"	3/5/25

A.01.01 FIRST FLOOR



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GENERAL/ CONSTRUCTION

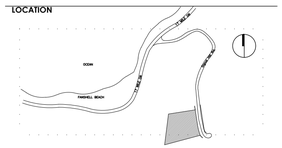
DRAWING NUMBER ON SHEET
SHEET NUMBER
WALL TAG
KEYNOTE
WINDOW TAG
ELEVATION+HEIGHT CHANGE
COLUMN GRID BUBBLE
ROOM NAME
ROOM NUMBER
DOOR NUMBER
DETAIL SECTION
BUILDING SECTION
WALL SECTION
INTERIOR ELEVATION
EXTERIOR ELEVATION
XXXXX
VIEW TITLE
INTERMEDIATE LANDING
LANDING HEIGHT CHANGE - ARCH. ELEV.
SLOPE
SLOPE DIRECTION (DOWN)

PLAN KEY NOTES ⓚ -

REVISIONS

NO.	DESCRIPTION	DATE

LOCATION



MASSY HOUSE

LOT No. 35
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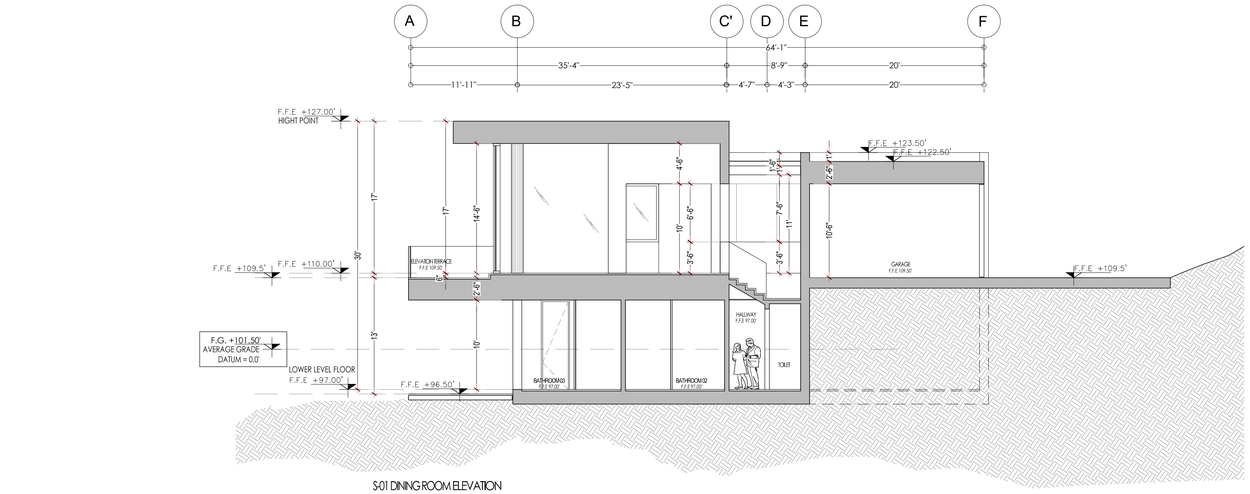
PEBBLE BEACH, CA 93953

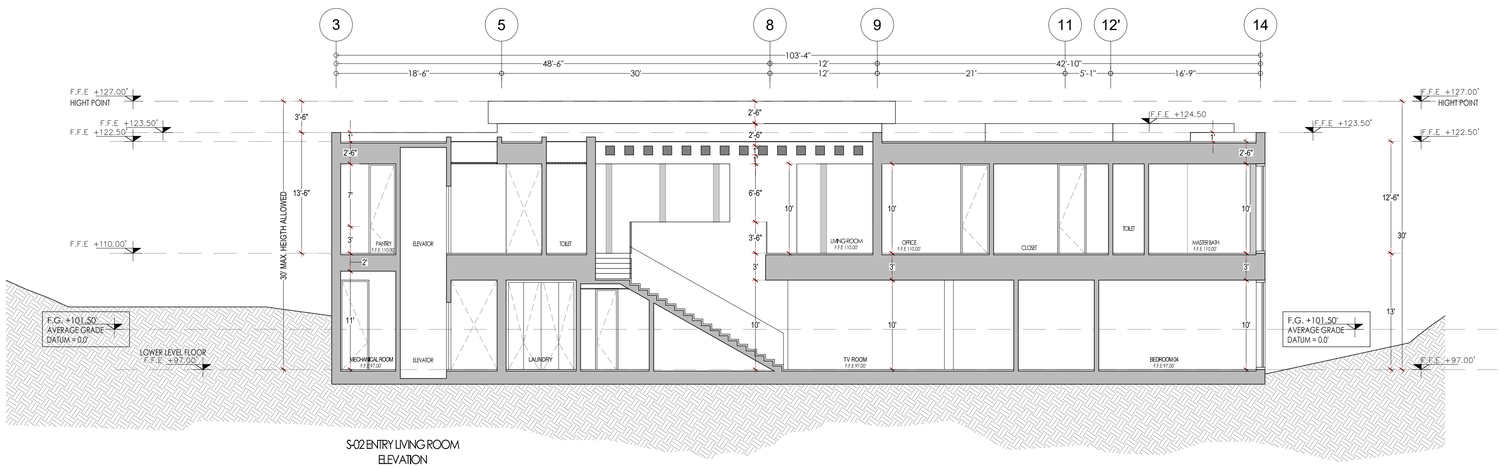
ARCHITECTURAL PLAN
BASEMENT FLOOR

SCALE	DATE
1/8"=1'-0"	3/5/25

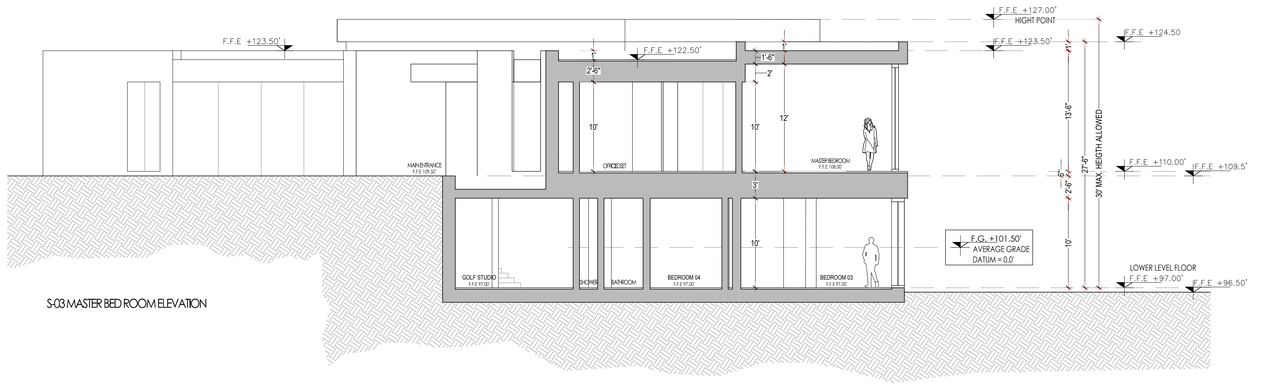
A.01.02 BASEMENT FLOOR



S.01 DINING ROOM ELEVATION



S.02 ENTRY LIVING ROOM ELEVATION



S.03 MASTER BED ROOM ELEVATION

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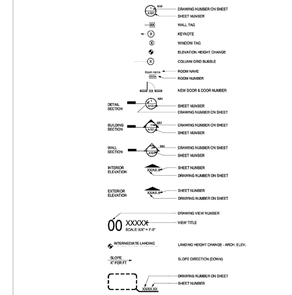
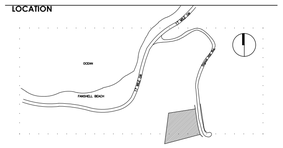


PLAN KEY NOTES ⓧ -

REVISIONS

NO.	DESCRIPTION	DATE

LOCATION



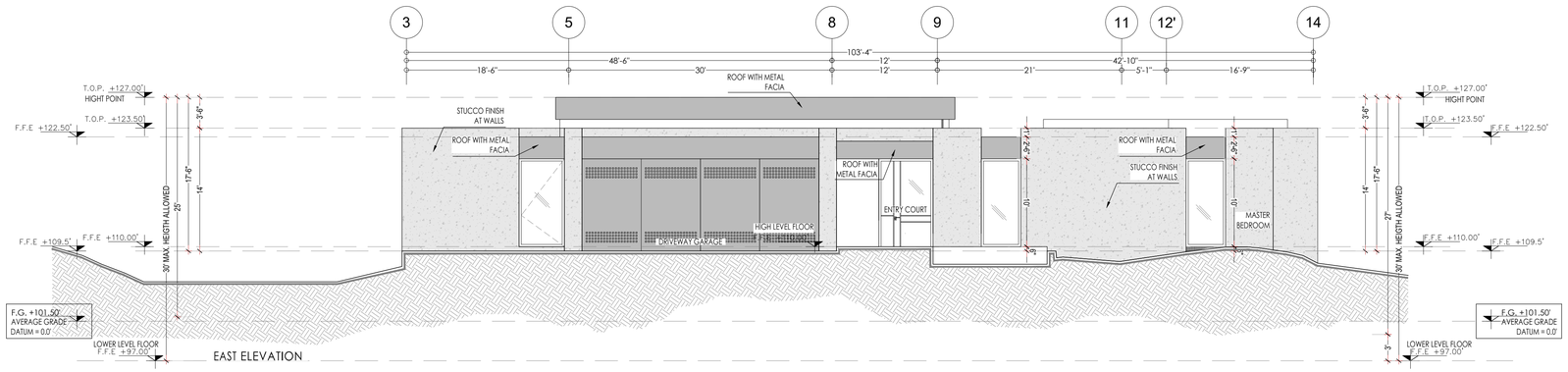
MASSY HOUSE

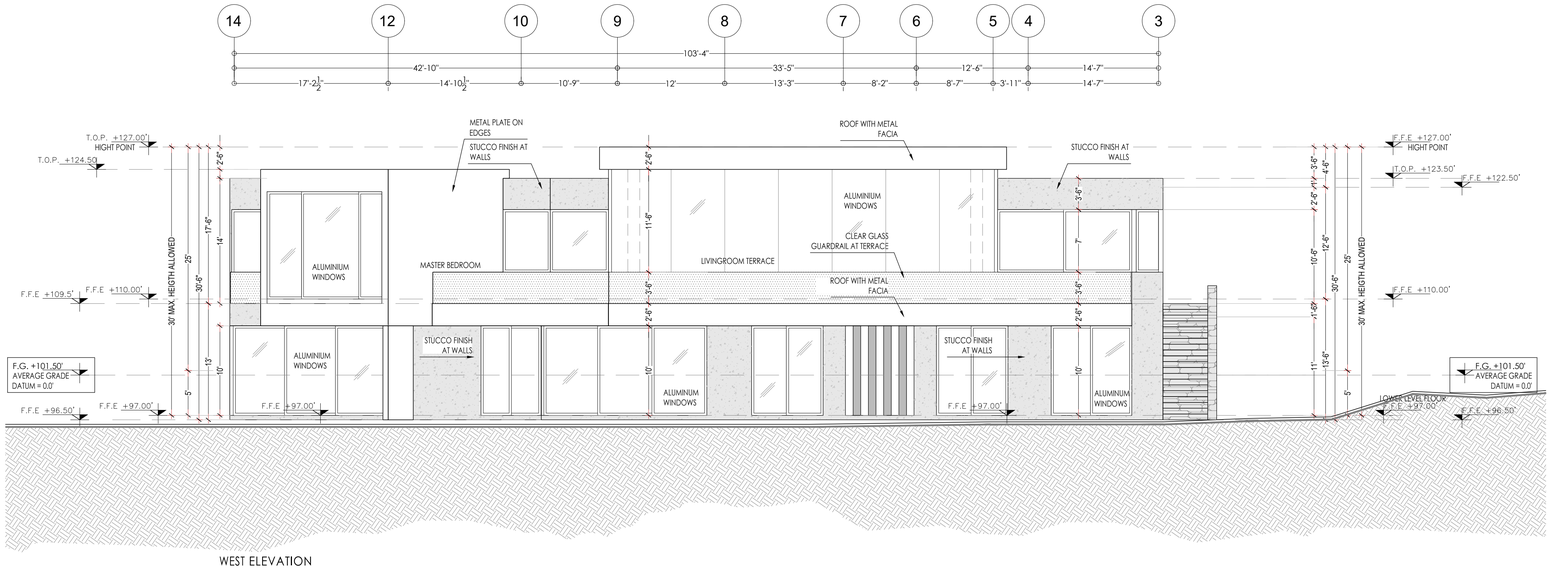
LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

ARCHITECTURAL PLAN
SECTIONS

SCALE	DATE
1/8"=1'-0"	3/26/25

A.01.04 SECTIONS





WEST ELEVATION

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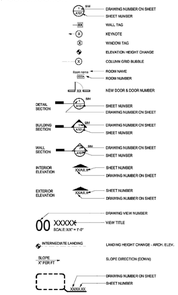


PLAN KEY NOTES ⓧ -

REVISIONS

NO.	DESCRIPTION	DATE

LOCATION

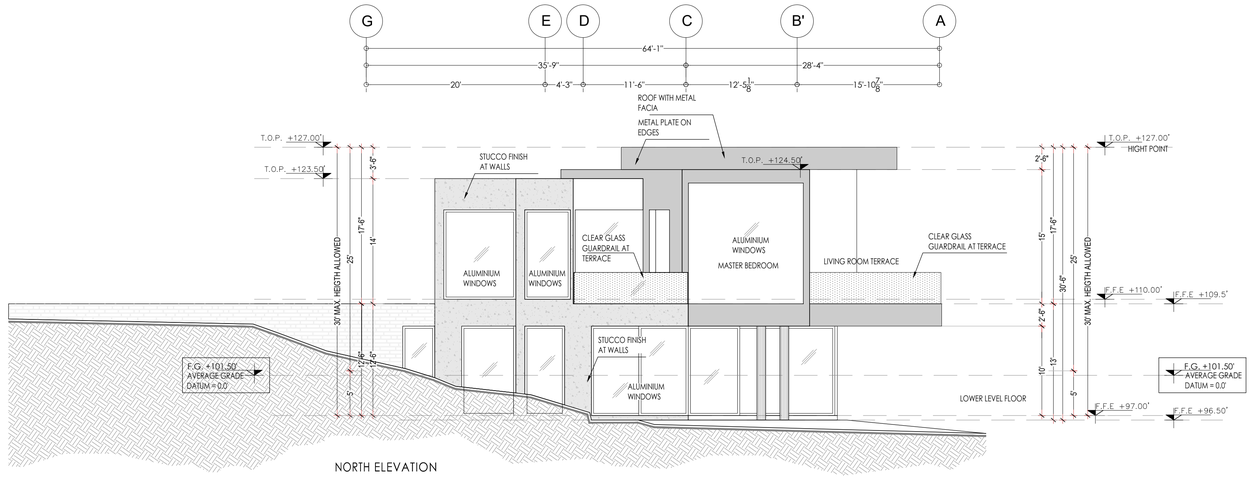
MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

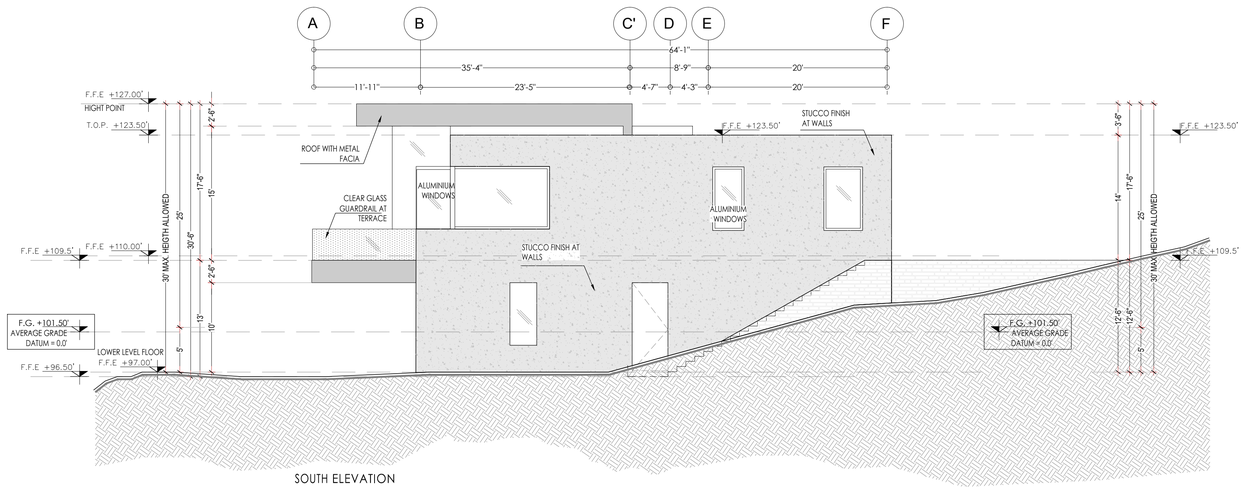
ARCHITECTURAL PLAN
ELEVATIONS

SCALE	DATE
1/8"=1'-0"	3/26/25

A.01.05 ELEVATIONS



NORTH ELEVATION



SOUTH ELEVATION

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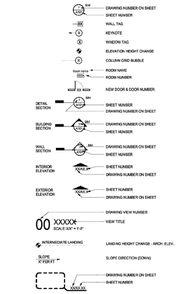

PLAN KEY NOTES ⓧ -

REVISIONS

NO.	DESCRIPTION	DATE

LOCATION

MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

ARCHITECTURAL PLAN
ELEVATIONS

SCALE	DATE
1/8"=1'-0"	3/26/25

A.01.06 ELEVATIONS

TREE PROTECTION PLAN:
1170 SIGNAL HILL ROAD
PEBBLE BEACH, CALIFORNIA

Prepared by:
Nigel Belton - Consulting Arborist
November 14, 2024

EXISTING TREE TO RELOCATE

EXISTING TREE TO REMAIN

NEW TREE

LOT 36 (N 80° 50' E) (278.85')

BROWNE AREA

DRA

T8

T9

T10

T7

T6

T5

T4

T2

T12

T1

EXISTING CYPRESS TREES AND SHRUBS TO REMAIN AND BE PROTECTED.

DUNE AREA RESTORED AT THE DIRECTION OF BIOLOGIST, NON-NATIVE PLANTING TO BE REMOVED

Staff Note: Master Bedroom would have cutout per Plan Sheet A.01.01

SIGNAL HILL ROAD

(1) NEW 48" CYPRESS TREE

(1) EXISTING CYPRESS TREE TO REMAIN

(2) EXISTING CYPRESS (16" & 22") TREES TO RELOCATE

SEE CIVIL DRAWINGS FOR GRADES AT DRIVEWAY AND ENTRY COURT.

(1) EXISTING CYPRESS 4" TREE TO RELOCATE

(2)EXISTING CYPRESS TREES

A.P.# 008-261-007
2.165 Ac.
LOT 35

DUNE RESTORATION AREA (DRA): REFERS TO THE DUNE RESTORATION PLAN BY BYOLOGIST, EXISTING NATURAL VEGETATION TO BE PROTECTED AND ALL NON-NATIVE VEGETATION TO BE REMOVED AND REPLACED WITH APPROVED NATIVE DUNE PLANT MATERIAL, (ENTIRE SITE).

NEWLY PLANTED VEGETATION LIMITS (3,600 SF)
NOTE: THIS AREA IS SUPPORTED BY THE DUNE RESTORATION PLAN.

(379.98)
(S 74° 40' W)

LOT 34

(R= 530')
(L= 108.54')
(Δ= 11° 44' 04")

(S 9° 10' E) (139.45')

NOTE :
THERE IS NOT IRRIGATION PROPOSED FOR THIS PROJECT.

LANDSCAPING IS INTENDED TO BE NATIVE HABITAT PLANTING IN THE (NHA) ZONE AND RECOMMENDED NATIVE PLANTING IN THE (DRA) ZONE. ACTUAL PLAN SPECIES AND PLANTING SPECIFICATIONS ARE ESTABLISHED IN THE DUNE RESTORATION PLAN PREPARED BY ZANDER ASSOCIATES AND AREA A PART OF THIS DOCUMENTS.

TREES: THE TREES SHOW ON THIS PLAN ARE EITHER EXISTING AND WILL REMAIN AS NOTE; EXISTING TO BE REMOVED AS NOTED; or NEW TREES TO BE PLANTED AT THE DIRECTION OF THE PROJECT ARBORIST, FINAL LOCATION AND PLANTING SPECIFICATIONS FOR ALL TREES WILL BE DIRECTED IN THE FIELD BY THE ARBORIST.

ARBORIST'S NOTES:

TREES #4, #5 & #12 MUST BE RELOCATED AS SHOWN.
TREES #1, #2, #4, #5, #6, #7, #8, #9, #10 & #12 MUST BE PROTECTED DURING THE CONSTRUCTION PHASE OF THIS PROJECT.

THE BLUE LINES REPRESENT THE LOCATIONS OF THE RECOMMENDED TREE PROTECTION ZONE FENCES. THESE FENCES MUST CONSIST OF STEEL CHAIN-LINK MATERIAL AND BE ATTACHED TO STEEL POSTS DRIVEN INTO THE GROUND. THESE FENCES MUST BE INSTALLED BEFORE ANY EQUIPMENT COMES ON SITE & BE MAINTAINED IN GOOD CONDITION THROUGHOUT THE CONSTRUCTION PERIOD.

NOTE - THE CRITICAL ROOT ZONES OF THESE TREES ARE DELINIATED BY THEIR CANOPY DRIP LINE PERIMETERS. ALL CONSTRUCTION ACTIVITIES THAT ENCROACH WITHIN THE CANOPY DRIP LINES OF THESE TREES MUST BE SUPERVISED BY THE PROJECT ARBORIST. ROOTS OVER 1.5-INCHES DIAMETER WITHIN THESE AREAS MUST BE PRUNED & NOT BE TORN BY EQUIPMENT.

ARBORIST INSPECTION SCHEDULE:
1- THE TPZ FENCES MUST BE APPROVED OF BY THE PROJECT ARBORIST BEFORE CONSTRUCTION ACTIVITIES CAN PROCEED.

2- THESE FENCES MUST NOT BE DISMANTLED OR MOVED WITHOUT OBTAINING THE CONSENT OF THE PROJECT ARBORIST.
- ALL CONSTRUCTION ACTIVITIES MUST BE EXCLUDED FROM FENCED TREE PROTECTION ZONES. VEHICLES AND EQUIPMENT MUST BE EXCLUDED FROM THESE AREAS AND NO MATERIALS, CHEMICALS OR WASTE PRODUCTS MAY BE STORED OR DISPOSED OF IN THESE LOCATIONS.
- THE PROJECT ARBORIST MUST ATTEND A PRECONSTRUCTION MEETING WITH THE GENERAL CONTRACTOR.Õ- THE PROJECT ARBORIST MUST BE NOTIFIED IF ROOTS 2-INCHES AND LARGER IN DIAMETER ARE EXPOSED DURING UNDERGROUND WORK.
- ALL CONSTRUCTION ACTIVITIES THAT ENCROACH WITHIN THE CANOPY DRIP LINES OF THESE TREES MUST BE SUPERVISED BY THE PROJECT ARBORIST.

NOTE - THE THREE TREES IDENTIFIED FOR RELOCATION MUST BE IRRIGATED, AS SPECIFIED BY THE APPROVED TREE RELOCATION CONTRACTOR FOR THIS PROJECT.

LANDSCAPE PLAN SCALE. 1/16"=1'-0"

0 10 20 40 80

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COLUMN GRID BUBBLE
ROOM NAME
ROOM NUMBER
DOOR & DOOR NUMBER
DETAIL SECTION
BUILDING SECTION
WALL SECTION
INTERIOR ELEVATION
EXTERIOR ELEVATION
DRAWING VIEW NUMBER
VIEW TITLE
INTERMEDIATE LANDING
LANDING HEIGHT CHANGE - ARCH. ELEV.
SLOPE DIRECTION (CONTA)

PLAN KEY NOTES ⓧ -

REVISIONS

NO.	DESCRIPTION	DATE

LOCATION

MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

LANDSCAPE PLAN

SCALE	DATE
1/16"=1'-0"	11/13/24

A.00.02 LANDSCAPE PLAN

PROPOSED RESIDENCE

PROPOSED RESIDENCE

EAST VIEW

WEST VIEW

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GRADES.

- DIMENSION IN FEET.
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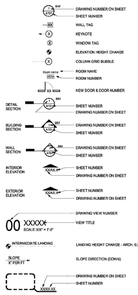
- NO DIMENSIONS WILL BE TAKEN TO THE SCALE OF THIS PLANE.
- THE DIMENSIONS ARE TO FINISHING CLOTHES.
- THE DATES AND SUBSEQUENT REVISIONS OF EACH MUST BE CONSULTED FLAT.
- THIS DRAWING MUST BE VERIFIED WITH THE CORRESPONDING INSTALLATIONS AND STRUCTURAL. ANY DISCREPANCIES SHOULD CONSULT WITH THE CONSTRUCTION MANAGEMENT.
- THE CONTRACTOR WILL RECTIFY AT THE SITE OF THE WORK, BEFORE EXECUTING, THE DIMENSIONS AND LEVELS INDICATED IN THIS DRAWING, MUST SUBJECT TO THE DIRECTION OF THE WORK ANY DIFFERENCE THERE MAY BE, AS WELL AS THE INTERPRETATION OF THIS DRAWING BY THE CONTRACTOR HIMSELF.
- THIS DRAWING NULLIFIES ANY DRAWING PRIOR TO THIS DATE.
- ALL FINISHES INDICATED IN THIS DRAWING MUST BE EXECUTED IN ACCORDANCE ACCORDING TO THE CORRESPONDING SPECIFICATIONS.
- THIS DRAW SHOULD BE READ ALONG WITH THE SPECIFICATIONS CRRESPONDING TO EACH SPECIALTY.

GENERAL/ CONSTRUCTION



PLAN KEY NOTES ⓧ -

REVISIONS

NO.	DESCRIPTION	DATE

LOCATION

MASSY HOUSE

LOT No. 35
1170 SIGNAL HILL DRIVE
PEBBLE BEACH, CA 93953

PROPOSED RESIDENCE

SCALE	DATE
1/12"=1'-0"	11/14/24

A.00.03 RENDERS

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Attachment F

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Before the Board of Supervisors
County of Monterey, State of California

In the matter of the application of:
SIGNAL HILL LLC (PLN100338)
RESOLUTION NO. 23-236

Resolution by the Monterey County Board of Supervisors certifying an Environmental Impact Report prepared for the Signal Hill LLC project (PLN100338)
[Signal Hill LLC, 1170 Signal Hill Road, Pebble Beach, Del Monte Forest Area Land Use Plan (APN: 008-261-007-000)]

The Signal Hill LLC project came on for public hearing before the Monterey County Board of Supervisors on May 9, 2023, and June 27, 2023. In consideration of the project and its alternatives, together with all the written and documentary evidence, the administrative record, the staff report, oral testimony, and other evidence presented, the Board of Supervisors finds as follows with respect to the Environmental Impact Report:

FINDINGS

1. **FINDING:** **PROCESS** – An Environmental Impact Report (EIR) has been prepared for the Signal Hill LLC project pursuant to the requirements of the California Environmental Quality Act (CEQA).

EVIDENCE:

a) Location: The Signal Hill Project is located at 1170 Signal Hill Road, Pebble Beach. (Assessor's Parcel Number 008-261-007-000), Del Monte Forest Area Land Use Plan (LUP).

b) Project: In 2010, an application was filed on behalf of the property owner Signal Hill LLC (Massy Mehdipour) for the demolition of an existing 4,124 square foot single family residence and the construction of a new three level 11,933 square foot single family residence including an attached three-car garage, a 986 square foot entry court, 106 square feet of uncovered terraces, approximately 2,600 square feet of covered terraces, new driveway, and approximately 1,700 cubic yards of grading (1,200 cubic yards cut/500 cubic yards fill) and restoration of approximately 1.67 acre of native dune habitat. The project also includes removal of three Monterey Cypress trees. (The proposed project was for a structure with a maximum height of 30 feet, and therefore is referred to herein as the "Full Height Project".)

This resolution applies only to the certification of the EIR prepared for the project. Action on the above-described Project will be considered following certification of the EIR.

c) Historic Resources. The existing house proposed for demolition was designed by Richard Neutra for Arthur and Kathleen Connell in 1957. The "Connell House" was listed on the National Register of Historic Places and was automatically added to the State Historic Landmark Register on June 13, 2014. The application proposed demolition of the existing house, which would be a significant impact to the historical resource. As such, an Environmental Impact Report was required for the proposed project.

d) Notice of Preparation (NOP): Pursuant to CEQA Guidelines section 15082 of, the County posted an NOP with the Monterey County Clerk's Office and that office transmitted it to the State Clearing House (SCH#2015021054) on February 15, 2015, starting a 32-day comment period on the NOP, which ended on March 20, 2015. The NOP included a description of the Project, maps and text identifying the Project's location, and a list of the Project's probable, potential environmental effects, which included potential impacts to historic resource, development in native sand dune habitat, and aesthetics. The NOP and comments received on the NOP are attached to the EIR as Appendix A.

e) Public Scoping Meeting: A Public Scoping Meeting was held on February 23, 2015 at the Pebble Beach Community Services District Offices located at 3101 Forest Lake Road, Pebble Beach. All interested parties were given the opportunity to attend and comment on the scope of the EIR and potential issues to be considered therein. Information on the date, time, and location of the scoping meeting was provided in the NOP.

f) Consultation: Comments were received on the NOP from the California Office of Historic Preservation and the California Coastal Commission. The County reviewed these comments and addressed them in the Draft EIR.

g) Public Review of Draft EIR: A Draft EIR was prepared for the Project. On August 22, 2018, the County of Monterey published a Notice of Availability (NOA) of the Draft EIR in the Monterey County Herald, caused notices of the NOA to be posted at the site, and mailed the NOA to neighboring property owners and all persons who requested notice of the project. At the same time, staff prepared and transmitted a Notice of Completion (NOC) to the State Clearinghouse. Copies of the Draft EIR along with all appendices, were provided to the Public Library at Ocean Avenue and Lincoln Street in Carmel, the Pacific Grove Library at 550 Central Avenue in Pacific Grove, were available at the County of Monterey Resource Management Agency (Now Housing & Community Development) offices in Salinas, and were posted on the County's website. Posting of the NOA and transmittal of the NOC began a 49-day public comment period that ended on October 12, 2018.

The NOA provided information on the project location, project description, places where the documents were available for review, the public review period, a description of potential significant effects of the project, County contact information, and instructions for how to submit comments.

h) Impacts: The Draft EIR found that the Project had a potentially significant and unavoidable impact to an historic resource from demolition of the Connell house. Potentially significant impacts to aesthetics, biology, archaeology, soils and geology, and hydrology were also found, however mitigation measures were identified to reduce these impacts to a less-than significant-level. The Draft EIR concluded that all other resources it examined as affected by the Project did not have significant potential environmental impacts were found to have a less than significant impact on the environment. The only significant impact would occur if the Board of Supervisors were to approve demolition of the historic resource.

i) Alternatives: Alternatives to the Project considered and analyzed in the Draft EIR include:

- The "No Project" Alternative
- "Preservation" (Alternative 1) - This alternative would include retaining the Connell house and preserving, repairing, and replacing portions of the structure for single-family occupancy in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties;
- "Preservation/Adaptive Reuse" (Alternative 2) – This alternative would include retaining the Connell house and preserving, repairing, and replacing portions of the structure for an adaptive reuse allowed under the Monterey County Zoning Code in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties. Adaptive reuse refers to the process of reusing a structure for a purpose other than that for which it was built or designed (i.e., for historic documentation and public educational uses [a museum]);
- "Preservation and separate onsite development" (Alternative 3)- This alternative would include retaining the Connell house and preserving, repairing, and replacing portions of the structure in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties. Under this alternative, a second single-family residence would be developed at a different location on the project site;
- "Project Integration" (Alternative 4) - This alternative would include integration of the Connell house into the proposed project. The structure (or portions of the structure) would be retained and integrated into the design of the new construction

in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties;

- "Relocation and Preservation" (Alternative 5) - This alternative would include relocating the Connell house to a new location and preserving, repairing, and replacing portions of the structure in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties;
- "Reduced Project" (Alternative 6) - This alternative would include demolition of the Connell house, but would reduce the size of the proposed single-family residence to stay within the existing developed footprint and to avoid building heights that extend above the ridgeline;
- "Neutra-Inspired Redesign" (Alternative 7) - This alternative would include demolition of the Connell house, but also a redesign of the proposed single-family residence to echo Richard Neutra's design for the new development;
- "Salvaged Reuse Integration" (Alterative 8) - This alternative would include demolition of the Connell house, but would reuse salvaged elements from the Connell house as fragments integrated into the design of the new single-family residence;
- "Reduced Height" (Alternative 9) - This alternative would include demolition of the Connell house and reduction of the maximum height of the proposed single-family residence structure by 5 feet, from 30 feet above average natural grade (130 feet above msl) to 25 feet above natural grade (125 feet above msl).

The Draft EIR concluded that the "Preservation" Alternative was the environmentally superior alternative because it would not impact the historic resource but would reduce impacts on biology, archaeology, and aesthetics. See Finding 5 with supporting evidence.

j) Evaluation of Comments on the Draft EIR: During the public review period on the Draft EIR, 140 comment letters were received. The County has evaluated those comments. The comments and responses to those comments are included in the Final EIR for the project. The County's analysis of these comments resulted in some proposed revisions to the body of the EIR that are also provided in the Final EIR. The Board of Supervisors has received and considered the communications submitted.

k) No Recirculation Required: After review and evaluation of the comments received on the Draft EIR, the County determined that recirculation is not required.

Response to Comments (Chapter 9 of the Final EIR) clarifies, amplifies, and/or makes minor modifications to the Draft EIR. No significant new information has been added that would require

recirculation of the document under CEQA Guidelines section 15088.5. (See Finding 6)

l) Final EIR: A Final EIR was completed in October 2022. The Final EIR contains comments received on the Draft EIR, responses to those comments, and proposed revisions to the Draft EIR. A copy of the Final EIR was made available to the applicant and to those who requested notice more than 10 days before the Board of Supervisors considered certification of the EIR.

m) EIR: The Environmental Impact Report (EIR), consisting of a Draft EIR and a Final EIR, is on file in the offices of HCD and is hereby incorporated by reference.

n) The application, project plans, and related support materials submitted by the project applicant to County of Monterey HCD for the proposed development found in Project File PLN100338.

2. **FINDING:** **CEQA-CERTIFICATION OF THE FINAL EIR –** Pursuant to CEQA Guidelines section 15090, prior to approving a project the lead agency shall certify that: a) the Final EIR has been completed in compliance with CEQA; b) the Final EIR was presented to the decision-making body of the lead agency and the decision-making body reviewed and considered the information contained in the Final EIR prior to approving the project; and c) the Final EIR reflects the lead agency's independent judgment and analysis.

EVIDENCE: a) Public Resources Code section 21080(d) and CEQA Guidelines section 15064(a)(1) require environmental review if the lead agency finds that, in light of the whole record before it, there is substantial evidence that the project may have a significant effect on the environment.

b) The Final EIR was completed in compliance with CEQA. See Finding 1 with supporting evidence.

c) A Final EIR (FEIR) was presented to the Planning Commission and Board of Supervisors and to commenting agencies on November 21, 2022. The Planning Commission on December 7, 2022, and again on January 25, 2023. The Board of Supervisors held a public hearing on May 9, 2023 and again on June 27, 2023, at which time the Board certified the Final EIR. The Board of Supervisors reviewed and considered the information contained in the FEIR prior to acting on Project.

d) Evidence that has been received and considered includes: the application, technical studies/reports (see Finding 1), staff reports that reflect the County's independent judgment, and information and testimony presented during public hearings (as applicable). These documents are on file at County HCD (PLN100338) and are hereby incorporated herein by reference.

e) Staff analysis contained in the EIR and the record as a whole indicate the project could result in adverse impacts to the resources listed in 14 Code of California Regulations section 753.5(d). All land development projects that are subject to environmental review must pay a state filing fee plus the County recording fee, unless the Department of Fish and Wildlife determines that the project would have no effect on fish and wildlife resources.

For purposes of the Fish and Game Code, the project could potentially have a significant adverse impact on the fish and wildlife resources upon which the wildlife depends. State Department of Fish and Wildlife had the opportunity to review the EIR to comment and recommend necessary conditions to protect biological resources in this area. The project will be required to pay the state fee plus a fee payable to the County Clerk/Recorder for processing said fee and filing the Notice of Determination (NOD) pursuant to CEQA Guidelines section 15094.

f) The County prepared a Final Environmental Impact Report ("Final EIR") dated October 2022. The Final EIR document responds to comments received during the Draft EIR circulation period. The Final EIR responds to all significant environmental concerns raised by persons and organizations that commented on the Draft EIR. The County has considered the comments it received during the public review period for the Draft EIR and, in the Responses to Comments document, responded to these comments pursuant to CEQA Guidelines section 15088.

g) County of Monterey Housing & Community Development Department, located at 1441 Schilling Place, 2nd Floor, Salinas, California, 93901, is the custodian of documents and other materials that constitute the record of proceedings upon which the decision to adopt the EIR is based.

h) The Draft Environmental Impact Report ("DEIR") for the Signal Hill LLC (PLN100338) and Final EIR ("FEIR") for the Signal Hill LLC Project (SCH#2015021054).

3. **FINDING:** **EIR-ENVIRONMENTAL IMPACTS NOT MITIGATED TO LESS THAN SIGNIFICANT –** The project would result in significant and unavoidable impacts that would not be mitigated to a less than significant level even with incorporation of mitigation measures from the EIR into the conditions of project approval, as further described in this finding. The project will result in adverse changes to a potentially significant historic resource.

EVIDENCE: a) The "Connell House" designed by Richard Neutra at 1170 Signal Hill Road, Pebble Beach is an historic resource listed on the California Register of Historic Resources. The proposed project would adversely affect that historic resource by demolishing the historic resource resulting in a substantial adverse change in the significance of a historical resource.

b) Draft Environmental Impact Report ("DEIR") for the Signal Hill LLC (PLN100338) and Final EIR ("FEIR") for the Signal Hill LLC Project (SCH#2015021054).

c) Mitigation Measures have been identified to reduce impacts to the extent feasible. Mitigation for impacts to the historical resource include documentation of the Connell house using the Historic American Buildings Survey (HABS) and the creation of electronic information in web-based format documenting the Connell house. However, while it is required, this mitigation would not decrease the significance of the impacts identified to a less-than-significant level.

d) Project alternatives exist that would avoid or further reduce the impact to the historic structures. See Finding 4 below.

4. FINDING: **POTENTIALLY SIGNIFICANT ENVIRONMENTAL IMPACTS IDENTIFIED IN THE EIR THAT ARE REDUCED TO A LEVEL OF "LESS THAN SIGNIFICANT" BY THE MITIGATION MEASURES IDENTIFIED IN THE EIR AND ADOPTED FOR THE PROJECT –** The Project will result in significant and potentially significant impacts that will be mitigated to a less-than-significant level due to incorporation of mitigation measures from the EIR into the conditions of project approval. Changes or alterations to the Project are required that mitigate or avoid the significant effects on the environment as identified in the draft FEIR. Except for Historical Resource impacts, all potentially significant environmental impacts will be mitigated through the measures proposed in the Final EIR.

EVIDENCE: The EIR identified potentially significant impacts that require mitigation to Aesthetics, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology, Seismicity, and Soils, Hazards and Hazardous Materials, Hydrology and Water Quality, and Noise, which could result from all components of the proposed Project of the EIR. These impacts will be mitigated to a less-than significant-level by the incorporation of mitigation measures from the EIR into the conditions of project approval unless Alternatives that avoid or substantially reduce the impacts are approved instead of the Project. In its decision, the Board of Supervisors considered the Project subject to these conditions.

Aesthetics. The Project would have potential adverse aesthetic effects. These impacts would be reduced by
incorporating mitigation measures. Impacts identified for this Project in Chapter 5 of the EIR include:
AES Impact 1: The proposed residential structure would be seen extending above the ridgeline from locations on 17-Mile Drive and Fanshell Beach, which would be inconsistent with County of Monterey visual resources policies and result in a potentially significant impact to the scenic vista.
AES Impact 2: The Project would stand out from the dune more than the existing residence, resulting in a potentially significant impact to the

site and surroundings and visual character as seen from 17-Mile Drive and Fanshell Beach.
AES Impact 3: Visibility of light sources, glow from the proposed residence, and glare from window glass would potentially create a new source of light and glare, degrade nighttime dark skies, and adversely affect visual quality, resulting in a significant impact to the surroundings.
Mitigations to reduce these impacts to a less-than-significant level are incorporated:
AES/mm-3.1 exterior lighting plan and BIO/mm-3.1, BIO/mm-3.2, and BIO/mm-3.3, with their respective vegetative screening and restoration activities (described below).
See Chapter 4-1, Aesthetic Resources, of the Final EIR for its analysis of potential project impacts to aesthetic resources.
.
Archaeological Resources. The Project would have a potentially adverse effect on archaeological resources on the subject property. Potential impacts include:
AR Impact 1: Ground disturbance (e.g., grading, excavation, vegetation removal, dune rehabilitation activities) associated with the project could result in the disturbance and destruction of unknown archeological resources, resulting in a significant impact.
AR Impact 2: Ground disturbance (e.g., grading, excavation) associated with the project could result in the disturbance of unknown human remains, resulting in a significant impact.
AR Impact 3: Impacts to archaeological resources caused by inadvertent damage or destruction of unknown resources would be cumulatively considerable when considered in conjunction with other potential disturbances in the project area, resulting in a significant cumulative impact.
Mitigations to reduce these impacts to a less-than-significant level are:
AR/mm-1.1 - contractors/employees to receive training from a qualified archaeologist;
AR/mm-1.2 – an Archaeological Monitoring Plan;
AR/mm-1.3 – an archaeological monitor; and
AR/mm-2.1 – required notifications pursuant to Health and Safety Code section 7050.5, discovery of human remains.
See Chapter 4-4, Archaeological Resources, of the Final EIR for its analysis of potential project impacts on archaeological resources.

Air Quality and Greenhouse Gases. The Project would potentially have an adverse effect on air quality and greenhouse gases.
AQ/GHG Impact 1: Implementation of the proposed project could result in the generation of emissions as a result of construction activities in an area in non-attainment for ozone (8-hour standard) and PM10, resulting in a potentially significant impact.
Mitigations to reduce these impacts to a less-than-significant level are:

AQ/GHG/mm-1.1 - Best Management Practices for reducing fugitive dust; and
AQ/GHG/mm-1.2 - Best Management Practices for reducing nitrogen oxides (NOx), reactive organic gases (ROG) and diesel particulate matter (DPM) emissions from construction equipment.
See Chapter 4-7, Less than Significant Issue Areas, of the Final EIR for its analysis of potential project impacts on air quality and greenhouse gases.

Biological Resources. The Project would have a potentially adverse effect on biological resources.
BIO Impact 1: Implementation of the Project would require the removal of two [sic] Monterey Cypress trees and grading in the vicinity of nine additional Monterey Cypress trees, resulting in a potentially significant impact.
BIO Impact 2: The Project has potential to impact California legless lizards and coast horned lizards that are California Species of Special Concern. The Project also has potential to impact nesting birds protected under the Migratory Bird Treaty Act and California Fish and Game Code. These impacts are potentially significant.
BIO Impact 3: The Project would result in the permanent loss of 0.39 acre and the temporary disturbance of 1.67 acres of Environmentally Sensitive Habitat Area, resulting in a potentially significant impact.
BIO Impact 4: Implementation of the Project would result in a potentially significant impact to an onsite a 0.13-acre coastal wetland,.
Mitigations to reduce those impacts to a less-than-significant level are:
BIO/mm-1.1 - Monterey Cypress Tree Protection, Replacement, Maintenance, and Monitoring Plan;
BIO/mm-2.1 – an environmental monitor;
BIO/mm-2.2 - environmental awareness training for all construction and habitat restoration personnel;
BIO/mm-2.3 - surveys for California legless lizards and other reptiles;
BIO/mm-2.4 - best management practices designed to minimize impacts to legless lizards;
BIO/mm-2.5 - avoid the nesting season to the extent feasible;
BIO/mm-2.6 - a 100-foot buffer around the nest site;
BIO/mm-3.1 – a open space conservation and scenic easement to be granted to the Del Monte Forest Foundation;
BIO/mm-3.2 - Bond sufficient to cover the estimated cost of planting and establishing the proposed 1.67-acre habitat restoration area;
BIO/mm-3.3 - Monitoring the success of the habitat restoration area;
BIO/mm-3.4 - fencing that excludes adjacent ESHA from disturbance;
BIO/mm-3.5 - stockpile and construction staging areas;
BIO/mm-3.6 - do not include any rain gutter outfall or other stormwater or wastewater outfall that directs concentrated flows capable of eroding the sand dune substrates in the adjacent ESHA;
BIO/mm-3.7 - landscape plans;

BIO/mm-3.8 - imported soils for amendment in the landscape areas is prohibited;
BIO/mm-3.9 - offsite dune habitat restoration plan that provides for restoration of dune habitat within the Asilomar Dunes;
BIO/mm-4.1 - buffer zone for *Juncus articus* (var. *balticus, mexicanus*) Herbaceous Alliance vegetation; and
BIO/mm-4.2 - flag the perimeter of the coastal wetland. Application of herbicides shall be prohibited within 25 feet of the coastal wetland. No removal of Mexican rush shall be permitted, and any vegetation removal efforts within 25 feet of the coastal wetland shall be implemented by hand.
See Chapter 4-2, Biological Resources, of the Final EIR for the complete analysis.

Geology, Seismicity, and Soils. The Project would have a potentially adverse effect on geology, seismicity, and soils.
GEO Impact 1: Implementation of the Project could expose people or structures to substantial adverse effects involving seismic hazards, resulting in a potentially significant impact.
GEO Impact 2: Construction activities and the increase in impervious surfaces as a result of the Project could result in increased erosion, loss of topsoil, and the transportation of sediment and/or construction debris off-site during rain events, resulting in a potentially significant impact.
GEO Impact 3: Implementation of the Project could result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse due to development being sited on potentially unstable soils, resulting in a potentially significant impact.
GEO Impact 4: The Project would be in an area with low to moderately expansive soils, and hence, construction could cause damage to structures and safety hazards as a result of soil instability, resulting in a potentially significant impact.
Mitigations to reduce these impacts to a less-than-significant level include:
GEO/mm-1.1 - meet or exceed California Building Standards Code. Recommendations provided by Cleary Consultants, Inc. (2010) in the geotechnical study. Additionally, implementation of HYD/mm-1.1, HYD/mm-2.1, and their respective reporting and monitoring actions will control runoff and erosion and ensure best management of post-development stormwater runoff. See Chapter 4-5, Geology and Soils, of the Final EIR for the complete analysis.

Hazards and Hazardous Materials. The Project would potentially have an adverse effect on hazards and hazardous materials.
HAZ Impact 1: Implementation of the Project has the potential to result in the inadvertent upset or release of hazardous materials used to fuel and maintain construction equipment and vehicles during construction, resulting in a potentially significant impact.
Mitigations to reduce those impacts to a less-than-significant level are:

HAZ/mm-1.1 - Hazardous Material Spill Prevention, Control, and Countermeasure Plan;
HAZ/mm-1.2 - Cleaning and refueling of equipment and vehicles; and
HAZ/mm-1.3 - monitoring reports.
See Chapter 4-7, Less than Significant Issue Areas, of the Final EIR for the analysis of air quality and greenhouse gases.

Hydrology and Water Quality. The Project would potentially have an adverse effect on hydrology and water quality.
HYD Impact 1: During construction, the Project would require grading on slopes in excess of 30%, which may result in increased runoff, erosion, and sedimentation associated with soil disturbance, potentially violating water quality standards during construction, resulting in a potentially significant impact.
HYD Impact 2: After construction, the Project would increase impervious surfaces at the project site, potentially increasing the stormwater runoff volume and rate compared to existing conditions, which could cause erosion, increased peak flows, and other impacts to the existing drainage pattern, resulting in a potentially significant impact.
HYD Impact 3: The Project would alter the existing drainage pattern both during and following construction, which could contribute to increased erosion and sedimentation on- and off-site, resulting in a potentially significant impact.
HYD Impact 4: The Project would increase impervious surfaces at the site, which would increase stormwater runoff volume and rate compared to existing conditions potentially causing erosion, increased peak flows, and other impacts to the existing drainage pattern, resulting in a potentially significant impact.
Mitigations to reduce those impacts to a less-than-significant level are:
HYD/mm-1.1 - Erosion control plan; and
HYD/mm-2.1 - Drainage plan.
See Chapter 4-6, Hydrology and Water Quality, of the Final EIR.

Noise. The Project would potentially have an adverse effect on noise levels in the area during construction ,resulting in a potentially significant impact.
NOI Impact 1: Implementation of the Project would require use of construction equipment and vehicles that could exceed noise thresholds for sensitive receptors during construction, resulting in a potentially significant impact.
NOI Impact 2: Implementation of the Project could generate a substantial temporary increase in ambient noise levels during construction of the project, resulting in a potentially significant impact.
Mitigation to reduce those impacts to a less-than-significant level is:
NOI/mm-1.1 - Noise attenuation measures including hours, notice, and devices.
See Chapter 4-7 for the complete analysis.

With implementation of the above mitigation measures, residual project impacts associated with Aesthetics, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology, Seismicity, and Soils, Hazards and Hazardous Materials, Hydrology and Water Quality, and Noise exposure would be less than significant.

5. FINDING: **EIR-CEQA ALTERNATIVES TO THE PROPOSED PROJECT** - The EIR evaluated a reasonable range of potentially feasible alternatives to the proposed project in compliance with CEQA Guidelines section 15126.6. The EIR considered the alternatives described below and as more fully described in the DEIR. The DEIR concluded that the Preservation Alternative was the environmentally superior alternative.

Pursuant to CEQA Guidelines section 15126.6(c), alternatives may be eliminated from consideration if they: 1) fail to meet most of the basic project objectives, 2) are infeasible, or 3) are unable to avoid significant environmental impacts. Chapter 9 of the EIR outlines alternatives that were screened out pursuant to this section of the CEQA Guidelines and presents the alternatives analyzed.

CEQA Guidelines section 15126.6(f) requires a range of alternatives governed by the "rule of reason." This section requires "the EIR to set forth only those alternatives necessary to permit a reasoned choice. The alternatives shall be limited to ones that would avoid or substantially lessen any of the significant effects of the project. Of those alternatives, the EIR need examine in detail only the ones that the lead agency determines could feasibly attain most of the basic objectives of the project."

EVIDENCE: a) Project Objectives. As proposed by the applicant, the project objectives include:

1. Remove the existing residence and construct a new single-family residence on the project site of a size compatible with the surrounding community and which allows for enjoyment of the natural beauty of the surrounding area.
2. Construct a new, high-quality residence that is exemplary of the architectural design skill of recognized Mexican architect Ricardo Legorreta.
3. Restore areas of the project site outside of the construction area to their natural condition and allow for local native animal, insect, and plant life to flourish once again.
4. The overall improvement of the property for the betterment of the Pebble Beach community.

b) No Project Alternative. This alternative would maintain existing conditions at the project site. No demolition, construction, or dune restoration activities would occur.

The current condition of the structure includes temporary shoring of walls destroyed in an act of vandalism as well as deterioration of windows and interior and exterior finishes. Adoption of the No Project Alternative would result continue the unsafe and unsightly building conditions. Alternatives would still need to be considered to address the unsafe condition.

c) Alternative Location. Per CEQA Guideline, section 15126.6(f)(2), an alternative project location need only be analyzed if the significant effects of the proposed project would be avoided or substantially lessened by putting the project in another location. The structure cannot be relocated for structural reasons and relocation of the structure would impact the historic integrity of the building. For these reasons, this alternative was rejected and not considered further.

d) Other Alternatives considered but dismissed. Alternatives 2, 3, 5, and 7 were rejected because the EIR found them infeasible, either because they would conflict with the Del Monte Forest Land Use Plan (Alternatives 2 and 3), were not feasible for structural reasons (Alternative 5), or would not avoid or substantially reduce impacts (Alternative 7).

e) "Preservation" (Alternative 1). This alternative would include retaining the Connell house and preserving, repairing, and replacing portions of the structure for single-family occupancy in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties. Generally, a project that conforms to the Secretary of the Interior's Standards does not significantly impact an historic resource and can such a project can be categorically exempt from CEQA review pursuant to CEQA Guidelines section 15331.

This alternative does not meet the applicant's objectives, but would substantially avoid or reduce impacts identified in the EIR.

f) "Project Integration" (Alternative 4). This alternative would include integration of the Connell house into the proposed project. The structure (or portions of the structure) would be retained and integrated into the design of the new construction in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties. This alternative would meet some of the applicant objectives and would reduce impacts to the historic resource. All other impacts would be similar to the proposed Project.

g) "Reduced Project" (Alternative 6). This alternative would include demolition of the Connell house, but would reduce the size of the proposed single-family residence to fit within the existing developed footprint and would reduce building heights to avoid any extension above the ridgeline.

This alternative would meet two of the applicant's objectives and would have reduced impacts on aesthetics and biology. All other impacts would be similar to the proposed Project.

h) "Reduced Height" (Alternative 9). This alternative was designed by the project applicant to minimize visual impacts. It would reduce the maximum height of the proposed single-family residence from 30 to 25 feet above natural grade.

This alternative meets all of the applicant's objectives and would reduce adverse project impacts to aesthetics. All other impacts would be similar to the proposed Project.

i) Environmentally Superior Alternative. The EIR concluded that the Preservation Alternative (Alternative 1) is the environmentally superior alternative as it would avoid or reduce all the impacts identified in the EIR.

j) Draft Environmental Impact Report ("DEIR") for the Signal Hill LLC (PLN100338) and Final EIR ("FEIR") for the Signal Hill LLC Project (SCH#2015021054).

6. **FINDING:** **RECIRCULATION NOT REQUIRED** – No new significant information has been added to the EIR since circulation of the Draft EIR that would require recirculation. Under CEQA Guidelines section 15088.5, the County would be required to recirculate an EIR if significant new information were added to the EIR after public notice is given of the availability of the EIR for public review but before certification. "Significant new information" requiring recirculation may include, for example, a disclosure showing:

1) A new significant environmental impact resulting from the project or from a new mitigation measure proposed to be implemented;
2) A substantial increase in the severity of an environmental impact unless mitigation measures are adopted that reduce the impact to a level of insignificance;
3) A feasible project or mitigation measure, considerably different from others previously analyzed, that clearly would lessen the significant environmental impacts of the project, but that the project's proponents decline to adopt; or
4) The draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

No such significant information has been added to the EIR following public notice of its contents. And, as further explained below, no such changes have been made to the EIR. Hence, recirculation was not required.

EVIDENCE: a) Staff revised the Draft EIR in response to public comment. These revisions and attendant responses to comments are both integrated into and more fully described in the Final EIR. In response to a comment letter from California Coastal Commission, staff incorporated additional mitigation measures for Biological Resources impacts to the

coastal dune habitat. An offsite dune restoration (or in-lieu fee) in 1:1 ratio to the square feet of impervious surface added by the project further mitigates for impacts to ESHA." Mitigation Measure BIO/mm-3.9, Offsite Dune Habitat Restoration or In Lieu Fee, was added to the Biological Resources mitigations and BIO/mm-3.9.1 was added as monitoring and reporting action for the mitigation. The full wording is listed as Condition 31 in the MMRP. The project proponent has agreed to this mitigation.

b) A second responsive edit was made based upon the California Coastal Commission's comment letter. The Commission shared its concern with the EIR's proposed Full Height Project, writing that the height, mass, and bulk of the Full Height Project would have the potential to adversely affect the scenic quality and visual character of 17-Mile Drive on visual resources. Minor clarifications to the EIR have been incorporated.

c) In response to the comment letter from MBARD, staff added the following requirement to BIO/mm-3.4: "No wood chipping shall be allowed onsite." This edit is found on page 4.2-71 of Chapter 4 and in the MMRP.

d) In response to the comment letter from MBARD, some changes have been made within the air quality section of Chapter 4.7 and in the MMRP. These changes clarify and amplify dust control measures, alternative fuels in construction equipment, and the need for compliance with MBARD rules and regulations.

e) In response to a comment letter from the Pacific Legal Foundation, staff added additional wording to the Alternatives Analysis Chapter of the Draft EIR regarding the difference between physical and economic considerations as it applies to CEQA and alternatives analysis. This was added to page 5-7 in section 5.4, Preliminary Alternatives.

f) In response to public comment letter P123, staff added clarifying statements as to what "Preservation" is understood to mean in the EIR, page 5-7 in section 5.4, Preliminary Alternatives.

g) In response to public and applicant questions in comment letters about the cost and the difficulty of the Preservation Alternative, staff edited section 5.6.1.4 Other Issue Areas, as shown with strike-through and underline, in the following:
"Although reconstruction and/or rehabilitation of an existing structure can often be more difficult than constructing something from scratch, per the structural report prepared for the project, r~~R~~econstruction of the existing 4,125-square-foot residence would generally entail an effort comparable to original construction, and is therefore likely to require less construction ~~over a shorter period of time~~ effort in comparison to construction of the proposed 11,933-square-foot residence. Construction of this alternative would require fewer material/haul trips and less construction noise due to the reduced size of the project. This alternative would maintain the existing building footprint and would require less grading and ground disturbing activities than the proposed

project, thereby also reducing construction-related air emissions and noise."

h) In response to public comment letter 122, and to correct what were logically typos, a responsive edit to section 5.6.4.1. was made to clarify that a height reduction would not be warranted if the Reduced Height Alternative were approved. BIO/mm-1.1 and BIO/mma-1.1.1, tree replacement and protection, should be included in this list of mitigation measures rather than AES/mm-1.1 and AES/mma-1.1.1. This required a strike-out of AES and addition of BIO twice.

i) In response to two public comment letters on the Draft EIR, letters P125 and P126, staff clarified statements regarding common public views in Table 4.1.1, a comprehensive review of the applicable local plans and policies relevant to aesthetics (visual resources).

j) The applicant's comment letter on the Draft EIR, letter P125, also shared concerns with the Draft EIR's portrayal of the previous code violations on the property in terms of their timing and handling. To more clearly convey the timing of a previously granted Restoration Permit prior to the EIR NOP, staff made responsive edits to Chapter 2 and Chapter 4, including clarification of tree removal violations (page 2-20 in Section 2.3.2 Dune Habitat Restoration). Changes in site conditions and to the historic residence located on that site have occurred since the NOP was published (page 4-3, Environmental Baseline), and clarifications on the "Mothball Protection Plan"(page 4.3-30, Baseline Conditions).

k) Public comment letter P125 questioned the EIR's portrayal of the existing house's condition during the EIR consultant visit on April 20, 2015. To clarify this condition, staff responsive edits to Chapter 4.3, Historical Resources.

l) Public comment letter P125 questioned the Draft EIR's description, in Chapter 4, the Historic Assessment done on the existing house, suggesting the applicant's December 2011 Historic Property Development report should have been extensively quoted in the EIR. Responsive edits were made on page 4.3-34.

m) Public comment letter P125 requested the EIR Chapter 4, description of the Site-Specific Setting, include quotes from Arthur Connell about the climate issues and impacts of natural elements on the house. A description was added.

n) Public comment letter P125 also shared concern with the EIR's portrayal of the existing structure's floor area. To resolve this concern, staff made the following responsive edit on page 2-7 and 4.1-45: "The proposed residence would be 11,933 square feet in size, almost three times larger than the existing 4,125-square-foot residence, which includes an addition ~~over 3.5 times bigger than the existing 3,299-square-foot residence~~."

o) Public comment letter P125 requested a specific edit to Alternative 8 in Table 5-1 to specify the existing house degradation. The edit was made, "many of the materials and elements of the existing structure were degraded to an extent that would prevent the ability to integrate them

into a reconstructed structure." that would prevent the ability to integrate them into a reconstructed structure."

p) In response to public comment letter P24 and several others' request that the structural engineer's evaluation that is referenced in the Draft EIR be included in the EIR, the Simpson Gumpertz and Heger (2016) structural evaluation and alternative assessment was incorporated as Appendix F.

q) Other minor modifications to the EIR include clarifications and corrections of non-substantive content. These edits are specified in a cover sheet to the Final EIR, page xix.

DECISION

NOW, THEREFORE, based on the above findings and evidence, the Board of Supervisors does hereby certify the Environmental Impact Report prepared for the Signal Hill LLC project (PLN100338).

PASSED AND ADOPTED on this 27th day of June 2023, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting on June 27, 2023.

Dated: July 18, 2023
File ID: RES 23-113
Agenda Item No. 25

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

Signal Hill LLC project
Final Environmental Impact Report

Link to full Document, please copy and paste into web browser:
https://www.co.monterey.ca.us/home/
showpublisheddocument/117619/638036931819789579

Major Project Webpage, where individual chapters can be opened or downloaded:
https://www.co.monterey.ca.us/government/departments-a-h/housing-community-development/
planning-services/library-current-major-projects/signal-hill-llc-mehdipour

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Attachment H

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MINUTES
Del Monte Land Use Advisory Committee
Thursday, August 1, 2024

1. **Meeting called to order by** Lori Leitzke **at** 3:00 pm

2. **Roll Call**

Members Present:
Lori Leitzke, Maureen Lyon, Carol Church, Ned Van Roekel, Bart Bruno, Rick Verbanec, Kim Caneer, Kamlesh Parikh

Members Absent:

3. **Approval of Minutes:**

A. **July 18, 2024** minutes

Motion: Ned Van Roekel (LUAC Member's Name)

Second: Rick Verbanec (LUAC Member's Name)

Ayes: All

Noes: None

Absent:

Abstain:

4. **Public Comments:** The Committee will receive public comment on non-agenda items that are within the purview of the Committee at this time. The length of individual presentations may be limited by the Chair.

None

5. **Scheduled Item(s)**

6. Other Items:

A) Preliminary Courtesy Presentations by Applicants Regarding Potential Projects

None

B) Announcements

None

7. Meeting Adjourned: 3:56 pm

Minutes taken by: Maureen Lyon

Action by Land Use Advisory Committee
Project Referral Sheet

Monterey County Housing & Community Development
1441 Schilling Place 2nd Floor
Salinas CA 93901
(831) 755-5025

Advisory Committee: Del Monte Forest

2.

Project Name: SIGNAL HILL LLC
File Number: PLN240077
Project Location: 1170 SIGNAL HILL RD, PEBBLE BEACH, CA 93953
Assessor's Parcel Number(s): 008-261-007-000
Project Planner: Mary Israel
Area Plan: Del Monte Forest Land Use Plan, Coastal Zone
Project Description: An application for a Design Approval to allow an 8,448 square foot single family dwelling with light brown stucco body and black painted metal trim, a gravel roof and associated improvements. The single family dwelling Coastal Administrative Permit was part of an approved Combined Development Permit for a "Reduced Project that is a single family residence of similar size, in concept, as the existing residence." (Board Resolution No. 23-237).

Was the Owner/Applicant/Representative present at meeting? **YES** X **NO** ____

(Please include the names of the those present)

Massy Mehdipour (owner)

Was a County Staff/Representative present at meeting? Hya Honorato **(Name)**

PUBLIC COMMENT:

Name	Site Neighbor?		Issues / Concerns (suggested changes)
	YES	NO	

LUAC AREAS OF CONCERN

Concerns / Issues (e.g. site layout, neighborhood compatibility; visual impact, etc)	Policy/Ordinance Reference (If Known)	Suggested Changes - to address concerns (e.g. relocate; reduce height; move road access, etc)
Appears to be some confusion between what Board of Supervisors recommended and the County staff interpretation		
Plans within coastal commission edicts.		

ADDITIONAL LUAC COMMENTS

LUAC feels that the drawings presented to LUAC reflect the proper interpretation of the directions from the county and we recommend approval

RECOMMENDATION:

Motion by: Bart Bruno (LUAC Member's Name)

Second by: Ned Van Roekel (LUAC Member's Name)

x Support Project as proposed

___ Support Project with changes

___ Continue the Item

Reason for Continuance:

Continue to what date:

Ayes: All

Noes: None

Absent: _____

Abstain: _____

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County of Monterey

Board Report

Legistar File Number: OBM 25-126

Item No.14

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/12/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Other Board Matters

Referral Matrix and New Referrals

Monterey County Board of Supervisors

MEETING: **August 26, 2025 - Other Board Matters**

SUBJECT: Board Referrals Update

DEPARTMENT: County Administrative Office

Item #	Brd Rfl #	Assignment Date	Referred By	Lead Dept.	Sub-Depts.	Project Lead	Item	Report	Status
1	2017.18	9/19/17	Board	CAO		Bokanovich	Request a presentation to the Board of Supervisors with options for commissioner compensation that supports our ability to recruit a diverse and representative pool of commissioners.	The item was presented to the Board on 10/2/2018. The Board directed that HR: 1) convene a committee of Department Heads that manage significant boards and commissions to develop a Commissioner Recruitment Strategy; 2) ask departments to provide information related to the diversity of their current volunteer Commissioner's and committee members; and 3) work with County Counsel and Auditor to determine what would be involved/required to actively implement reimbursement to these volunteers, with budget/cost implications. Referral modified on August 24, 2021 to include: A) an assessment on how commissions are being utilized; how well they are serving in their advisory function to the Board; staffing levels of various committees, and, how that may or may not contribute to their functioning; and, B) referring the referral to the Board of Supervisors - Human Resources Committee to engage in discussion and bring back recommendations to the full Board. This item was discussed with the Human Resources Committee in late January 2022. The referral was been reassigned to the County Administrative Office for response. Additional time is needed for information gathering. Staff anticipates a further response to the Board in ~~January 2025 July 2025~~ August 2025.	Pending
2	2017.20	11/19/19	Alejo	PWFP		Ishii	Lease agreement between the City of Salinas and the County of Monterey regarding County's parcel adjacent 855 East Laurel Drive in Salinas for the implementation of a BMX Bike Track, new Skate Park, and sidewalk on East Laurel Drive in Salinas.	An initial referral was initiated on September 15, 2017. On September 1, 2017, Supervisor Alejo held a meeting with the City of Salinas, County RMA staff, and a BMX bike park and skate park engineers/designers to review the property. County Staff conferred with City Staff relative to the City's update of their Parks Master Plan. RMA has also been coordinating with City staff regarding sidewalks on County-owned lands along East Laurel Drive adjacent to this property (between Sanborn Road and Constitution Boulevard). The referral was closed on May 7, 2019 for staff to pursue efforts for a Shelter at 855 E. Laurel. RMA is preparing to bring a master planning effort for use of County lands, specifically lands at Natividad/Laurel in Salinas. This matter is reinstated for reconsideration. Public comment on this item was received on January 14, 2020. Item was pulled from the June 16, 2020, Board meeting agenda and is on hold pending identification of funding. Staff to consult with requesting Supervisor prior to resubmitting item to the Board. PWFP staff continues to work with our state legislative consultants to identify potential grant opportunities. At the September 14, 2021 Board Meeting, the Board provided direction to PWFP staff to apply for Prop 68 grant funding. On January 20, 2022, the County submitted a $3 million application to the Prop 68 Regional Park Program. Project implementation is pending notification of a grant award. On August 24th, the County was notified that its project applications were not selected for grant funding - the process was highly competitive and oversubscribed. Staff will continue to find new opportunities to raise fund to build the project. Staff continues to seek grant opportunities and/or partnerships to fund raise and build the project. Staff received noticed from the Salinas Regional Soccer complex that they would be proceeding with the design and placement of the skate/bike park within their complex and would include it as part of their operations. Project is on hold pending funding. Staff continues to seek grant opportunities and/or partnerships to fund raise and build the project. Staff submitted for FY26 Federal Earmarks.	**Postponed**
3	2018.28	12/4/2018	Phillips	HCD		Spencer	Affordable Housing in the Coastal Zone	Amend County LCP to be consistent with the Coastal Act regarding affordable housing, authorize staff to investigate processes and provide language revision recommendations to the Local Coastal Plan. A presentation was provided to the Board on January 15, 2019. Section 30500.1 was added by Senate Bill 626 in 1981 to state: "No local coastal program shall be required to include housing policies and programs." HCD is working on the 6th Cycle Housing Element which includes housing opportunity sites in the Coastal Zone. The Housing Element is anticipated to be completed by September 2025. HCD staff have coordinated with Coastal Commission staff on the properties that fall within the coastal zone. HCD staff has also coordinated with the Coastal Commission on housing policies contained within our Land Use Plans that integrate affordable housing policies as we update those plans (for example: Moss Landing Community Plan and Big Sur Land Use Plan updates). This work is ongoing.	Pending
4	2020.22	7/7/2020	Church	CAO		Bokanovich	Referral Process Amendment	This referral requests that the process be amended to have Board approval for a referral as part of an agenda item showing the purpose of the referral, costs, time, challenges, and details of the project. In April 2021, the Board approved an amended Board Referral process, which included an exception for urgent matters and provided for Board review of pending referrals on an annual basis. Board review of the referral procedures is anticipated to occur in January 2025, in conjunction with other Board policies. Staff anticipates a further response to the Board in ~~July 2025~~ August 2025.	Pending
5	2021.05	3/2/2021	Alejo	PWFP		Ishii	Monterey County COVID-19 Victims Memorial	This referral seeks to create a permanent memorial with the names of all COVID-19 victims of Monterey County on the Monterey County Government Campus at 168 West Alisal Street. A presentation was provided to the Board on March 22, 2022. Staff was directed to seek potential match from partners and return to the Board in 45 days for further direction. Staff has been seeking potential partners and will be reporting back. The Board approved a revised concept at its June 22, 2022 meeting. Staff is coordinating with the Budget Office to establish fund to receive donations, and staff is seeking potential donors. On September 13, 2022 the Board of Supervisors approved staff's request to enter into a capital campaign with Monterey County Community Foundation to raise funds to complete the project. Staff provided an update to the Board on June 13, 2023. Staff provided a status update at the June 13 BOS. Funding efforts are at 44% overall project cost. Funding raising efforts have raised enough money to develop plans for permit. Staff initiated a draw from the Community Foundation fund to begin drawings for permit. Construction implementation is pending additional funding. Unfunded project budget of $50,000 is proposed for FY26 CIP funding and prioritization.	Pending
6	2021.09	5/25/2021	Church/Askew	CAO		Bokanovich	Review of Board Committee Responsibilities	This referral seeks to clarify the purpose and responsibilities of each Board of Supervisors committees to improve staff workflow and Board decision making ability. A preliminary analysis was approved by the Board on June 15, 2021. Staff will be submitting a response to this referral for Board consideration in May 2022. The referral has been reassigned to the County Administrative Office for response. Board is scheduled to conduct its 2nd annual evaluation of pending referrals on March 28, 2023. To avoid future delays, all annual evaluations will be scheduled to occur the first month of each calendar year. Board review of the referral procedures is anticipated to occur in October, in conjunction with other Board policies. Staff anticipates a response to this referral in ~~January 2025 July 2025~~ August 2025..	Pending

Item #	Brd Rfi #	Assignment Date	Referred By	Lead Dept.	Sub-Depts.	Project Lead	Item	Report	Status
7	2021.25	11/16/2021	Askew	HCD		Spencer	East Garrison Street Renaming	This referral seeks to identify the process and funding for the renaming of certain streets in East Garrison and revise the naming approval process. A preliminary response was provided to the Board on January 11, 2022. Staff presented to the Board at the May 3, 2022 Board Meeting, and received direction from the Board. HCD has been directed to engage with the public and determine interest in changing the street names within East Garrison. HCD attended the East Garrison CSD (EGCSD) meeting on May 11, 2022, to present the matter. HCD staff will develop a draft program. The program will likely be presented to the Board for consideration once developed. Proposed completion date of October 2025.	Pending
8	2021.29	12/7/2021	Adams	PWFP		Ishii	Increased Fines for Big Sur Roadside Camping Prohibition	This referral seeks to increase the administrative citation and fine amounts for citations issued under Monterey County Code Section 14.18.020.A. This is a follow-up to Board Referral No. 2019.16 (Big Sur Roadside Camping Prohibition Enforcement). A preliminary response was provided to the Board on January 11, 2022. The Ordinance increasing the existing fine amount to $1,000 was adopted by the BOS at its July 26, 2022 meeting. New signage to indicate the increased fine amount has been installed on all existing camping prohibition signs. Staff continues coordination with the Big Sur Byways Organization and District 5 on installation of additional new signs. Staff continues to coordinate with Caltrans and Coastal Commission on getting the necessary approval/permits to install along SR 1. Staff is working with HCD regarding Coastal permits. Proposed completion date of ~~January~~Fall 2025.	Pending
9	2022.02	1/11/2022	Askew	CAO		Blitch/Chiulos	Sheriff Oversight Board Formation	This referral seeks to explore formation of a Sheriff Oversight Board. Assembly Bill 1185 authorized counties to establish a sheriff oversight board to assist the board of supervisors to fulfill its duties related supervising the official conduct of all county officers, including the sheriff. An oversight board would consist of civilian residents appointed by the board of supervisors. Formation of the oversight board can be accomplished by action of the board of supervisors or through a vote of county residents. This referral requests the Board of Supervisor form such an oversight board and that staff return with a report that includes bylaws, formation resolution, and an outline of administrative capacity needed to support the oversight board. A preliminary response was provided to the Board on March 22, 2022; at which time, the Board took action to defer the item until after the new Sheriff is elected and the Board has had an opportunity to establish a relationship. An Ad Hoc Committee has been established by the Board to study the various options concerning oversight of the Office of the Sheriff, pursuant to Assembly Bill 1185. Report is currently with Ad Hoc committee for review and revision.	Pending
10	2022.04	2/1/2022	Church/Lopez	~~PWFP~~ HCD		~~Ishii~~ Spencer	Revisit Rossi Road Extension Plan	This referral seeks to revisit the Rossi Road extension plan and explore solutions to alleviate traffic congestion and improve traffic circulation in the Boronda area as a result of the population and business growth and the relocation of the SVSWA transfer station and Republic Services' yard. A preliminary response was provided to the Board on March 8, 2022. A Town Hall was conducted on July 27, 2022. A working group has been started, and next steps and roles are being established. CEQA and funding are also being researched and discussed. HCD staff is preparing a draft MOU with the City of Salinas. The draft MOU will be presented to the Board once completed. Proposed completion date of December 2028.	Pending
11	2022.14	4/19/2022	Lopez	PWFP		Ishii	Harkins Road	This referral requests that staff investigate the possibility of changing Harkins Road into a one-way street. Staff presented the Preliminary Analysis Report at the May 17, 2022 Board Meeting. PWFP engaged consultant support to evaluate a potential one-way concept for Harkins Road, and a community meeting was held in Spreckels on December 5, 2022 to get feedback. Staff provided a verbal update to the referring Supervisor in January and a report to the Board is planned for the ~~February 28, 2023~~ March 7, 2022 Board meeting. With the Board Report seeking approval for the Harkins/Hunter project, staff is presenting our recommendation for the Harkins Road next week. The one-way option of Harkins is not being recommended. Staff is recommends upgrading signage and constructing improvements to the Harkins/Hunter intersection instead. The additional signs were installed at the Harkins/Hunter intersection to detour trucks around Spreckels. The one-way option was not recommended by the BoS. Continuing to monitor the effectiveness of the addition signs that were installed. Referring Supervisor has asked that this Referral be re-engaged for potential options, including pilot programs.	Pending
12	2022.22	9/27/2022	Alejo	PWFP		Ishii/Lerable	East Salinas District 1 Office/**District 1 Carryover Office Budget Funding For Planned East Salinas Office**	This referral requests that staff search and open a District Office for District 1 in East Salinas 93905 to provide greater office access to constituents in this area of Salinas with the greatest need. A preliminary response was presented to the Board on October 25, 2022. A site has been identified and staff is coordinating with the landlord on ADA upgrades prior to executing the lease. **Modified by the referring Supervisor on May 18, 2023 to include that any leftover District 1 office budget funding for 2022-23 be carried over into the next fiscal for the specific purpose of paying and offsetting any costs in opening the D1 office in East Salinas.** Real Property continues to keep an active search open for available office space within District 1 and provide occasional update to Supervisor Alejo of staffs efforts. Currently there are no opportunities available that meet the Supervisor's requirements. PWFP Real Property Staff is continuing to search for viable office space based on the D1 Office needs within the Alisal District 1 Area on a consistent basis. To date, no viable office options which meet the D1 office needs for required sq. ft., security needs and accessibility have been located. Staff will continue to present any viable options located to the D1 Office as warranted.	Pending
13	2023.03	2/7/2023	Alejo	HCD		Spencer	Affordable Senior Housing Project at 855 East Laurel Drive	This referral purpose is to approve using a vacant county property at the eastern-corner portion of 855 East Laurel Drive to construct affordable housing units for Monterey County seniors. A preliminary response was provided to the Board of Supervisors on February 28, 2023. HCD staff has met with the Housing Authority who have expressed an interest in partnering with the County on such a project. HCD is also coordinating with PWFP on plans for the Laurel Yard campus which are currently in development. Separately, HCD has been progressing an affordable housing project at this same site. On February 7, 2023 the Board approved an Exclusive Negotiating Agreement with Eden Housing Inc. for design and development of an Affordable Housing Multifamily Rental Housing Project. December 12, 2023, the Development Review Committee considered Eden's two-phase 132 rental unit affordable housing project. County has procured outside legal counsel and negotiations with Eden for a Disposition and Development Agreement with Long-Term Ground Lease are underway, which are anticipated to come to Board for consideration late spring 2024. The potential for a senior housing project will be presented to the Board once the Eden housing project is completed and PWFP has identified any remaining needs for land at the Laurel Yard. Proposed completion date of December 2026.	Pending

Item #	Brd Rfi #	Assignment Date	Referred By	Lead Dept.	Sub-Depts.	Project Lead	Item	Report	Status
14	2023.09	4/18/2023	Alejo	PWFP		Ishii	Salinas Regional Soccer Complex Grant Opportunities	This referral seeks that county staff assist in two grant opportunities for the Salinas Regional Soccer Complex that requires the County of Monterey to be lead applicant as the real property owner. Staff will provide an update to the Board on May 9, 2023. Staff presented a referral response on May 9 and May 15th. BOS provided direction to modify the referral by continuing to work with the Sport Authority on funding on options to bring back to the board for discussion. Staff will continue to collaborate with SRSA to find partner on new grant opportunities. Staff worked with Leg Staff to submit a request for federal earmark. Project was selected by Rep. Lofgren to advance to the House Appropriations Committee for further consideration of a federal earmark.	Pending
15	2023.13	7/11/2023	Church	PWFP		Ishii	Laurel Yard Master Plan	This referral requests that county staff analyze the current and proposed uses of the County owned properties at and around the Laurel Yard in Salinas and engage in a master plan to ensure compatible development consistent with County operations and community objectives to determine if the Laurel Yard should be relocated and potential sites for consideration. A preliminary response was presented to the Board on August 29, 2023. Staff provided a status update to the Board on September 17, 2024. Site is included in the County-wide Master Plan and will be analyzed in context of the County's overall needs. Master Plan expected to be completed in Fall 2025.	Pending
16	2023.17	7/19/2023	Adams	HCD		Spencer	Safeguard & Maintain Historic Buildings in Monterey County	Referral requests the County pass a local ordinance where it shall be unlawful for any person to cause or cause others to act to burn or structurally damage a structure that has been listed on a city, county, state, or national list of historic properties. This includes owners of a structure listed on a local, state, or national register of historic structures. HCD staff presented a preliminary response to this referral on September 12, 2023. The Board directed HCD to proceed with updating the County's Historic Preservation Ordinance to incorporate penalties for unlawful damage to historic resources. Updates to the Historic Preservation are on the long-range work plan for HCD and are programed to be completed in future years.	Pending
17	2023.20	11/7/2023	Church	Health		Jimenez	Littering Fines	This referral requests that staff amend County Code 10.41.040 to establish clear and significant penalties for littering and dumping by adopting fines parallel to that of San Benito County. Environmental Health will be presenting a draft Ordinance at the Board of Supervisors meeting on January 30, 2024, requesting that a Public Hearing be set to adopt the Ordinance. The ordinance will be set on February 27th for adoption, and direction was given by the Board to come back in one year with an update on the number of administrative violations, how many fines have been levied, and the total amount of fines. Staff will return to the Board of Supervisors with an update on implementation efforts and findings in March 2025. Since the adoption of higher fines for illegal dumping, EH has issued one citation on 12/13/2024 in the amount of $2,500. The citation was issued based on video images captured from surveillance cameras installed specifically to capture illegal dumpers. The Two cameras were installed in the right of way in a location known for illegal dumping. Staff was to bring back an update to the Board in March of 2025. Staff provided an update to the Board on April 22, 2025 and were directed to give an update in 6 months of the effectiveness of the cameras and a renewal of the software agreement.	Pending
18	2023.21	11/7/2023	Church	CAO		Chiulos/Bokanovich	Non-County Entity Appointments Procedure for Supervisors	This referral requestst that staff amend the current policy for appointments of County Supervisors to Non-County entities. In November 2023, the Board established an ad hoc to review and vet non-county entity appointment procedures. A meeting of the Ad Hoc was convened in late October 2024. An update report will be provided to the Board on ~~December 4, 2024 July 2025~~ August 2025.	Pending
19	2023.22	11/28/2023	Adams	PWFP		Ishii	Bixby Bridge - Traffic and Pedestrian Safety	Referral requests that staff identify solutions to respond to the immediate health and safety emergency concerns at the Bixby Bridge in Big Sur due to increased levels of visitation resulting in traffic congestion, parking issues, blocked residential access, and unsafe illegal pedestrian crossings across Highway 1. Staff presented a Preliminary Analysis Report to the Board on January 23, 2024. Staff will provide updates as they meet with the working group. Urgency Ordinance was approved by the Board of Supervisors on June 25, 2024. Next steps are to work with HCD on Emergency Coastal Development Permit. Proposed completion date of August 2024. The permit for the Urgency Ordinance was approved. PW installed railing along Coast Road to help with the illegal parking issues near Bixby Bridge.	Pending
20	2024.03	3/12/2024	Lopez	CAO		Vaughn	Wine Improvement District	This referral requests examination of sales or transactions and use tax records for the purpose of forming a wine improvement district in Monterey County. A preliminary response was presented to the Board on April 23, 2024. Staff is continuing to work with Vintners and will provide an update to the Board at a future date.	Pending
21	2024.04	3/23/2024	Church	CAO/PWFP		Paolinelli/Ishii	Maintenance of Little Bear Creek: Permits	This referral requests a study of permit processes for cleaning and long-term maintenance of Little Bear Creek. A preliminary response will be presented to the Board on April 16, 2024. PWFP is acquiring a hydrologic and hydraulic study proposal from one of our on-call consultants. This is the next step identified in the Preliminary Analysis Report. There is currently not enough information to determine a completion date. Much will depend on State and federal regulators (as well as the public and Board if this effort should be funded). The hydrologic and hydraulic study is underway.	Pending
22	2024.05	5/14/2024	Church	PWFP		Ishii	Speed Hump Fee Waivers for Low-Income Neighborhoods	This referral requests that the Board implement a policy that will waive the fees for speed hump installment in low-income neighborhoods to create safer roads. A preliminary response was presented to the Board on June 8, 2024. Staff is proceeding with the process presented in the preliminary response and exploring prioritization criteria and funding options. However, research and analysis is more involved than initially anticipated. Staff anticipates having more information to report in Summer 2025.	Pending

Item #	Brd Rfi #	Assignment Date	Referred By	Lead Dept.	Sub-Depts.	Project Lead	Item	Report	Status
23	2024.07	5/14/2024	Alejo	HCD		Spencer	County Tenant Relocation Assistance Ordinance Update	This referral request is to update the current County Relocation Assistance Ordinance 18.15.050 – "Tenant relocation provisions for rental housing" to allow an option by the County of Monterey to require landlords/property owners, who violate the county housing ordinance, to pay owed tenant relocation assistance upfront into a county account so that tenants can claim the owed rent later, without having to interact with the landlord/property owner and to better track payments made to housing victims and ensure timeliness. A preliminary response was presented to the Board on June 25, 2024. The Board provided direction to HCD to prepare an ordinance that amend current requirements to authorize the County to provide tenant relocation assistance directly to impacted families and individuals and to seek reimbursement from the landlord/property owner for those costs. The ordinance is on the list of long-range planning projects and is scheduled in "future years." The Board is asked to help review and prioritize the long-range projects annually.	Pending
24	2024.10	9/10/2024	Church	Health		Jimenez	Allow POU/POE Water Treatment for New Construction (Including ADUs)	To allow for Point of Use/Point of Entry water treatment devices to be used for new construction on vacant legal lots of record and for accessory dwelling units (ADUs). A preliminary response will be presented to the Board on October 1, 2024. EHB has prepared a draft amended ordinance that will be sent to County Counsel for review this week. The amendments add the option to use POU/POE for new development on a vacant lot or for an ADU or other second unit. Once County Counsel approves the amended ordinance, EHB will contract with Rincon to do the Initial Study. It is necessary to prepare the draft ordinance before contracting with Rincon, so they know what to include in the initial study. The updates in the amended ordinance regarding new development are the same as Rincon analyzed in the initial CEQA document, which will help streamline the process. Staff gave an update to the Board on April 22, 2025 and were instructed to return by December 2025 with a proposed amendment to the ordinance and an initial Study-Mitigated Negative Declaration evaluation.	Pending
25	2024.11	9/10/2024	Church	Health		Jimenez	Modifications to the County's Rooster Ordinance	This referral seeks to modify the County's Rooster Ordinance in order to make it more effective at eradicating cockfighting operations in unincorporated Monterey County. A preliminary response will be presented to the Board on October 1, 2024. Staff presented a Preliminary Analysis Response to the Board on 10/1/24 where the referral will be deemed complete contingent upon staff returning in 6 months with recommendations for updating/changing the Rooster ordinance. Staff is waiting to see if there is a change in State law and will bring the update back to the BoS once that information is confirmed next month (March 2025). Then a date will be set on the Board Agenda for an update. Staff is working on a letter of support for AB-928 (Rogers) Cockfighting Cruelty Act that is going to the Hitchcock Road Advisory Committee the week of May 19, 2025.	Pending
26	2024.12	9/24/2024	Aeljo	HCD		Spencer	1220 Natividad Road Property Repurposing for County Housing Trust Fund	This referral requests a feasibility study for developing commercial uses of County property located 1220 Natividad Road (old Ag Commissioner's Office off of East Laurel Street) with proceeds capitalizing the Monterey County Local Housing Fund (MCLHTF). The study should identify the types of potential users, demand for commercial uses at this location, potential lease revenue generated by the property, and legal requirements to lease the property to fund the MCLHTF. A preliminary response was presented to the Board on October 15, 2024. The Board directed HCD to coordinate with Public Works, Parks, and Facilities to incorporate the option for commercial use of 1220 Natividad Road in the Facilities Master Plan. See Referral 2023.13.	Pending
27	2024.13	9/24/2024	Alejo	CAO		Paolinelli/Wilson	Tiny Homes Village Renaming	This referral requests that the name of the pending Tiny Homes Village in Watsonville be changed to a more suitable name that inspires hope, that is easy to pronounce bilingually, and that has input from Monterey County, Santa Cruz County and the City of Watsonville. A preliminary response will be presented to the Board in January 2025. The Supervisors agreed that the renaming of the Watsonville Tiny Village will not be revisited until the Building Permit has been issued. The Counties are still working closely with the City to meet the remaining components of this process. Staff anticipates it will be completed in May 2025. Staff will provide a response to the Board on September 16, 2025.	Pending
28	2024.17	12/3/2024	Church	HCD/CAO		Spencer/Paolinelli	Policy for Evaluating Housing Economic Impacts on Residents in Legislative Decisions	This referral request for the Board of Supervisors to implement a policy requiring an assessment of potential housing economic impacts on residents in the legislative decision-making process. A preliminary response will be presented to the Board on February 4, 2025.	Pending
29	2025.01	2/4/2025	Alejo	County Counsel		Blitch	Monterey County Fracking Ban	The purpose of this referral is to draft an ordinance that would prohibit fracking in Monterey County. Staff provided a preliminary response to the Board on 12/3/24 and were directed to return to the Board after presenting to the Coastal Commission for consideration in 2025. The portions of Measure Z that implement a fracking ban in the inland portions of Monterey County have now been put in place. Specifically, the 2010 General Plan and Ford Ord Master Plan have been updated. In consultation with Coastal Commission staff, HCD staff learned that the coastal land use plan amendments need to return to the Board before they can be submitted to the Coastal Commission. County Counsel's Office staff is working with HCD staff to return to the Board with the item, and then resubmit to the Coastal Commission.	Pending
30	2025.03	4/22/2025	Askew	CAO/COB		Chiulos/Ralph	Encouraging Broad Diverse Applicant Pools with Transparent Outreach	This referral directs the County Administrative Officer and Clerk of the Board of the Board of Supervisors to ensure Board of Supervisors compliance with the Maddy Act and increase the transparency of outreach and encourage broad and diverse applicant pools for County Board, Committees, and Commissions, and Special Districts. Staff will provide a preliminary analysis response on May 13, 2025.	Pending
31	2025.04	4/22/2025	Askew	CAO/County Counsel/COB		Chiulos/Blitch/Ralph	Follow-up to Referral #2023.19 - Monterey County Regional Fire District Board of Directors (MCRFD) Vacancies, to ensure completion of BOS direction.	The purpose of this referral is to ensure BOS direction to prepare for review, adoption, and implementation of a Board policy ensuring timely noticing of recruitments for vacancies on the boards of special districts for which the BOS is the appointing authority, given as a result of Referral #2023.19, is completed. Staff will provide a preliminary analysis response on May 13, 2025.	Pending

Item #	Brd Rfi #	Assignment Date	Referred By	Lead Dept.	Sub-Depts.	Project Lead	Item	Report	Status
32	2025.05	5/13/2025	Daniels	PWFP		Ishii	Bixby Bridge – No Parking	Requesting staff to define actions needed to continue the current emergency parking prohibition and maintain the physical measures implementing it beyond the conclusion of the CT Rocky Creek slip out repair project (currently estimated to be completed in June) without interruption unless/until a more global solution can be identified and implemented thru future projects. Staff will provide a preliminary analysis response on June 3, 2025.	Pending
33	2025.06	6/10/2025	Alejo/Lopez	Health		Elsa	Monterey County Health Department Clinics Indigenous Pilot Program	The purpose of this referral is design a pilot program at the Alisal Health Clinic in East Salinas to better meet the healthcare language needs of our Indigenous Oaxacan patients. Staff will provide a preliminary analysis response on July 8, 2025.	Pending
34	2025.07	8/5/2025	Alejo	PWfP		Ishii	The Alisal Arch of East Salinas	The purpose of this referral is to have the Board of Supervisors official support for the construction of an Alisal Arch in East Salinas and to financially contribute to the project. Staff will provide a preliminary response to the Board on August 26, 2025.	Pending
35	2025.08	8/5/2025	Alejo	Health		Jimenez	Mitigation Monitoring for the Salinas Regional Soccer Complex	The purpose of this referral is to have the Monterey County Environmental Health Bureau and/or the County Public Works, Facilities and Parks provide contracted mitigation monitoring services for the Salinas Regional Soccer Complex expansion project. Staff will provide a preliminary response to the Board on September 16, 2025.	Pending
36	2025.09	8/19/2025	Lopez	PWFP		Ishii	Anza National Historic Trail Auto Tour Signs	Partner with the National Park Service to facilitate the replacement of 14 official national historic trail Auto Tour signs on roads along the Juan Bautista de Anza National Historic Trail. A preliminary response will be provided to the Board on September 16, 2025.	Pending
37	2025.10	8/26/2025	Alejo	Health		Jimenez	Monterey County Spay and Neuter Ordinance for Cats and Dogs	The purpose of this referral is to enact a Spay and Neuter Ordinance for cats and dogs to address pet overpopulation, euthanasia rates, and overcrowded shelters with minimal staffing.	**Pending Approval on 08/26/25**
								Completed by Executive Assistant on August 20, 2025	

Monterey County Board of Supervisors
Referral Submittal Form

Referral No. 2025.10
Assignment Date: 08/26/25

SUBMITTAL - Completed by referring Board office and returned to CAO no later than noon on Thursday prior to Board meeting:

Date: 8/13/2025	Submitted By: Luis Alejo	District #: 1
Referral Title: **Monterey County Spay and Neuter Ordinance for Cats and Dogs**		
Referral Purpose: The purpose of this referral is to enact a Spay and Neuter Ordinance for cats and dogs to address pet overpopulation, euthanasia rates, and overcrowded shelters with minimal staffing.		
Brief Referral Description: Monterey County's communities face a persistent challenge with pet overpopulation, resulting in overcrowded animal shelters, increased euthanasia rates, and avoidable public health and safety concerns. Without a proactive policy, stray and unwanted animals continue to multiply, placing a financial and emotional burden on residents, animal control services, and nonprofit rescue and spay/neuter organizations, like SNIP. A county spay and neuter ordinance would require most dogs and cats in unincorporated areas to be surgically sterilized, with reasonable exemptions for licensed breeders, working animals, and those with medical conditions. This approach directly addresses the root cause of overpopulation by preventing unwanted litters before they occur. Such an ordinance would: • Reduce shelter intake and euthanasia rates, freeing resources for adoption, rehabilitation, and humane care. • Lower taxpayer costs associated with animal control, sheltering, and enforcement. • Improve public safety by decreasing roaming animals, dog bites, abandoned pets & vehicle-animal collisions. • Enhance animal welfare by reducing suffering, neglect, and the spread of disease among stray populations. By adopting a spay and neuter ordinance, Monterey County can demonstrate compassionate, fiscally responsible leadership and protect both its residents and animals. The leadership of the County of Monterey can also inspire the remaining 11 cities to also adopt similar policies. In Monterey County, only one city out of 12 have adopted mandatory spay/neuter ordinances: • City of Seaside: In November 2024, the city passed an ordinance that requires cats over 5 months and dogs over 6 months to be spayed or neutered. Ordinance went into effect 30 days later in December 2024.		

Classification - Implication	**Mode of Response**
☐Ministerial / Minor ☐ Land Use Policy ☐ Social Policy ☐ Budget Policy **X** Other: **Animal Services/Health Dept.**	☐ Memo **X** Board Report **X** Presentation **Requested Response Timeline** ☐ 2 weeks **X** 1 month ☐ 8 weeks ☐ Status reports until completed ☐ Other: _____ ☐ Specific Date: _____

ASSIGNMENT – Provided by CAO at Board Meeting. Copied to Board Offices and Department Head(s) Completed by CAO's Office:

Department(s): Health Department	Referral Lead: Elsa Jimenez	Board Date: 08/26/25

REASSIGNMENT – Provided by CAO. Copied to Board Offices and Department Head(s). Completed by CAO's Office:

Department(s):	Referral Lead:	Original Date:

ANALYSIS - Completed by Department and copied to Board Offices and CAO:

Department analysis of resources required/impact on existing department priorities to complete referral:	
Analysis Completed By:	**Department's Recommended Response Timeline**

_____ Date: _____	☐ By requested date ☐ 2 weeks ☐ 1 month ☐ 6 weeks ☐ 6 months ☐ 1 year ☐ Other/Specific Date:_____

REFERRAL RESPONSE/COMPLETION - Provided by Department to Board Offices and CAO:

Referral Response Date:	Board Item No.:	Referrals List Deletion:

County of Monterey

Board Report

Legistar File Number: OBM 25-127

Item No.15

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/12/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Other Board Matters

County Administrative Officer Comments

County of Monterey

Item No.16

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

Legistar File Number: OBM 25-128

August 26, 2025

Introduced: 8/12/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Other Board Matters

Board Comments

County of Monterey

Board Report

Legistar File Number: 25-601

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/21/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

2025 Board of Supervisors Meeting Schedule

Before the Board of Supervisors in and for the County of Monterey, State of California

Adopt the Board of Supervisors' meeting)
schedule for the calendar year 2025……)

The Board will meet on Wednesday, May 28, 2025, at 9:00 a.m. and Thursday, May 29, 2025, at 9:00 a.m. for Budget Hearings and will meet every Tuesday at 9:00 a.m., as scheduled below:

Meeting On:
January 7, 2025
January 14, 2025
January 28, 2025
February 4, 2025
February 7, 2025 Legislative Workshop - Friday
February 18, 2025
February 25, 2025
March 7, 2025 BOS/Dept. Head Retreat - Friday
March 11, 2025
March 18, 2025
March 25, 2025 Budget Workshop
April 15, 2025
April 22, 2025
April 29, 2025
May 6, 2025
May 13, 2025
May 20, 2025
May 28, 2025 Budget Hearings - Wednesday
May 29, 2025 Budget Hearings – Thursday (If needed)
June 3, 2025
June 10, 2025
June 17, 2025 Budget Adoption, etc.
June 24, 2025
June 26, 2025 Executive Performance Evaluations -Thursday
June 27, 2025 Executive Performance Evaluations – Friday (If needed)
July 1, 2025
July 8, 2025
August 5, 2025
August 12, 2025
August 19, 2025
August 26, 2025
September 16, 2025
September 23, 2025
September 30, 2025
October 7, 2025
October 14, 2025
October 21, 2025
October 28, 2025
November 4, 2025
November 18, 2025

December 2, 2025
December 9, 2025
December 10, 2025 – Wednesday Overflow (If needed)
December 11, 2025 Executive Performance Evaluations - Thursday
December 12, 2025 Executive Performance Evaluations – Friday (If needed)

The Board will not meet on the following dates in observance of holidays, other recesses and conferences or otherwise posted, at 9:00 a.m. as noted below:

No Meeting On:	In observance of:
January 21, 2025	Martin Luther King's Day
February 11, 2025	National Association of Counties Conference (NACo)
March 4, 2025	Dept Head Retreat
April 1, 2025	Cesar Chavez Day
April 8, 2025	Spring Break
May 27, 2025	Memorial Day
July 15, 205	Summer Recess
July 22, 2025	Summer Recess
July 29, 2025	Summer Recess
September 2, 2025	Labor Day
September 9, 2025	Legislative Conference
November 11, 2025	Veterans Day
November 25, 2025	Thanksgiving Day
December 16, 2025	Winter Break
December 23, 2025	Winter Break
December 30, 2025	Winter Break

PASSED AND ADOPTED on this 24th day of September 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting on September 24, 2024.

Dated: September 27, 2024

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

Introduced: 7/24/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional Services Agreement (A-15877) with Adelheid Ebenhoech, M.D. to provide family medicine services, extending the term by 12 months (September 20, 2025 to September 30, 2026) for a revised full agreement term of September 20, 2022 to September 30, 2026, but with no change to the board approved amount not to exceed of $600,000; and
b. Authorize the CEO for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not exceed 10% ($60,000) of the original contract amount, and do not increase the total contract amount above $660,000.

RECOMMENDATION:

a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional Services Agreement (A-15877) with Adelheid Ebenhoech, M.D. to provide family medicine services, extending the term by 12 months (September 20, 2025 to September 30, 2026) for a revised full agreement term of September 20, 2022 to September 30, 2026, but with no change to the board approved amount not to exceed of $600,000; and
b. Authorize the CEO for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not exceed 10% ($60,000) of the original contract amount, and do not increase the total contract amount above $660,000.

SUMMARY/DISCUSSION:

NMC operates the Prunedale Clinic providing care and treatment to patients in North Monterey County. NMC has an agreement with Dr. Adelheid Ebenhoech to provide family medicine services in the clinic two to three days a week. NMC wishes to amend the agreement with Dr. Ebenhoech to extend the term an additional twelve (12) months so that Dr. Ebenhoech can continue to provide the same services without interruption. Natividad has obtained an independent opinion of fair market value supporting the payment terms of this Agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form.
Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

FINANCING:
The total not to exceed amount of this Agreement is $600,000 for the period September 20, 2022 to September 30, 2026. $146,861 is included the Fiscal Year 2025/2026 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:
Third Amendment
Second Amendment
First Amendment
Agreement

Attachments on file at the Clerk of the Board

Introduced: 7/24/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

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OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been

reviewed and approved by Natividad's Finance Committee and Board of Trustees.

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BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:
Third Amendment
Second Amendment
First Amendment
Agreement

Attachments on file at the Clerk of the Board

Docusign Envelope ID: AF1C1855-D35D-4FFF-9FAF-A991EF9BD2BC

THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the **"Amendment"**), is made and entered into as of September 20, 2025 by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D, an individual (**"Contractor"**) with respect to the following with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Services Agreement dated effective as of September 20, 2022, and as amended effective September 20, 2023 and September 20, 2024 (collectively the **"Agreement"**), pursuant to which Contractor provides Specialty services to Patients.

C. Hospital and Contractor desire to amend the Agreement to extend by 12 months and modify the Code of Conduct at Exhibit 1.11.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 5.1.** Section 5.1 to the Agreement is hereby amended restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on September 20, 2022 (the **"Effective Date"**), and shall continue until September 30, 2026 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.**"**

3. **Exhibit 1.11**. Exhibit 1.11 is hereby deleted and replaced in its entirety and incorporated by reference as attached **Exhibit 1.11**.

4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

5. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

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6. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: AF1C1855-D35D-4FFF-9FAF-A991EF9BD2BC

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
A Ebenhoech
2DFEA8FB7DC941A...

Date: 7/23/2025 | 10:58 AM PDT

NATIVIDAD MEDICAL CENTER

_____ Date: _____

Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...

Date: 7/25/2025 | 9:57 AM PDT

Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth
4E7E6578754544E...

Date: 7/28/2025 | 9:16 AM PDT

Deputy Auditor/Controller

Docusign Envelope ID: AF1C1855-D35D-4FFF-9FAF-A991EF9BD2BC

Exhibit 1.11

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Number:** MSP004-2 BOT Approval: 1/2023
Standard: Medical Staff (MS)	MEC Approval: 12/22 Responsible: Medical Staff Services Manager

As a member of the Medical Staff or an Advanced Practice Professional (APP) of Natividad (collectively Practitioners), you must acknowledge that the ability of Practitioners and Natividad employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team, recognizing that patients, family members, visitors, colleagues and Natividad staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of Natividad, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at Natividad, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the Natividad health care team.

2. Recognize the individual and independent responsibilities of all other members of the Natividad health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, Natividad employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Reflect positively upon the reputation of the health care profession, the Medical Staff, and Natividad in their language, action, attitude, and behavior.
6. Commit and contribute to the overall educational mission of Natividad and

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promote an effective, inclusive, equitable and supportive clinical learning environment.

Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior.

Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of Natividad, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at Natividad, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the Natividad health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude, and behavior which consistently convey to patients, families, colleagues, and all other members of the Natividad health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all Natividad professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post- discharge planning and follow-up.

6. Respect the right of patients, families, or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within Natividad with courtesy, respect, and human dignity.

8. Conduct one’s practice at Natividad in a manner that will facilitate timely commencement of medical/surgical procedures at Natividad, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

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Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of Natividad owned property.

2. Falsification of medical records, including timekeeping records and other Natividad documents.

3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport, or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or Natividad employees should generate an Occurrence Report in Verge and submit pursuant to Natividad policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

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b. Harassing conduct includes, but is not limited to:

1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on Natividad's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects.

10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages.

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling, or shouting at a person, or threatening violence or retribution.

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of Natividad staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at Natividad who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident via an Occurrence Report in Verge.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

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Natividad
Inspiring healthy lives

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 12/22
Standard: MSP004-2	**Approved:** **MEC** 12/22 **BOT** 1/23

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

Printed name Adelheid Ebenhoech

Signature: DocuSigned by: 2DFEA8FB7DC941A... Date: 7/23/2025 | 10:58 AM PDT

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SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the **"Amendment"**), by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D, an individual (**"Contractor"**) is entered into on the date executed by all Parties, with respect to the following with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Services Agreement dated effective as of September 20, 2022, as amended September 20, 2023 (collectively the **"Agreement"**), pursuant to which Contractor provides Specialty services.

C. Hospital and Contractor desire to amend the Agreement to add Advanced Practice Practitioner Supervision Services and compensation for such services, as set forth below.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 1.1**. Section 1.1 to the Agreement is hereby amended and restated in its entirety, as set forth below:

> **"1.1 Services.**
>
> **(a) Professional Services.** Contractor shall provide the professional services described in **Exhibit 1.1(a)** (the **"Professional Services"**) to Clinic Patients, upon the terms and subject to the conditions set forth in this Agreement.
>
> **(b) Supervisions Services.** Contractor shall provide supervision of any clinician employed or contracted by Hospital providing Professional Services (the **"Supervision Services"**) in accordance with all applicable laws, rules and regulations, including, without limitation, applicable bylaws, rules and regulations of the Medical Staff and/or APP Staff. The staffing pattern may be set and modified from time to time with mutual agreement of Parties to ensure patient safety, quality care, high efficiencies and patient satisfaction.**"**

3. **Section 1.3**. Section 1.3 to the Agreement is hereby amended and restated in its entirety, as set forth below:

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> **"1.3 Additional Services.** Contractor shall provide to Hospital those additional services set forth in **Exhibit 1.3** (the **"Additional Services"**), upon the terms and subject to the conditions set forth in this Agreement. The Professional Services, Supervision Services, Teaching Services and Additional Services are sometimes referred to collectively in this Agreement as the **"Services."**

4. **Exhibit 1.1**. Exhibit 1.1 to the Agreement is hereby renumbered and incorporated by reference as **Exhibit 1.1(a)**.

5. **Exhibit 2.1**. Exhibit 2.1 to the Agreement is hereby deleted and replaced in its entirety and attached hereto as **Exhibit 2.1**.

6. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

7. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

8. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

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IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
2DFEA8FB7DC941A...

Date: 7/15/2024 | 11:50 AM PDT

NATIVIDAD MEDICAL CENTER

DocuSigned by:
4E1F837D204E481...
Deputy Purchasing Agent

Date: 7/19/2024 | 12:17 PM PDT

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
696D21D44C4341D...
Stacy Saetta, Deputy County Counsel

Date: 7/16/2024 | 4:26 PM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
E79EF64E57454F6...
Deputy Auditor/Controller

Date: 7/17/2024 | 7:36 AM PDT

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Exhibit 2.1

COMPENSATION

1. **Clinic Services**. Hospital shall pay to Contractor per Work Relative Value Unit (as defined by the Centers for Medicare & Medicaid Services from time to time) ("**wRVU**") for those Professional Services rendered to Clinic Patients by Contractor, provided, however, that Contractor is in compliance with the terms and conditions of this Agreement and applicable Laws.

(a) Contractor shall be paid on the CPT codes submitted to and verified by Hospital professional billing office coders.

(b) Contractor must complete clinical documentation using Hospital's system on all submitted claims prior to reimbursement.

(c) Compensation will be calculated as follows:

(i) Thirty-Six Dollars and Forty Cents ($36.40) per wRVU personally performed by Contractor, or

(ii) Forty-One Dollars and Eighty-Six Cents ($41.86) per wRVU personally performed by Contractor during such time when Contractor is performing such services while directly supervising a family medicine resident at the request of Hospital.

2. **Supervision Services.** Hospital shall pay Contractor One Thousand Dollars ($1,000) per month for Supervision Services of Advanced Practice Practitioners in accordance with all applicable Laws and all applicable bylaws, rules and regulations of the Hospital's medical staff (the "**Medical Staff**")

3. **Timing.** At the end of each month, Hospital shall provide Contractor a monthly report ("**Encounter Summary**") that demonstrates the calculation of the compensation payable under this section.

(a) Contractor shall review the Encounter Summary for accuracy and return the signed Encounter Summary to Hospital within five (5) business days.

(b) In the event of a dispute regarding the appropriateness of a CPT code or modifier, or similar technical billing issue, which cannot be resolved informally by the Parties, the Parties shall jointly designate an independent third party billing expert to review and make a recommendation regarding the issue. The cost of such expert shall be shared equally by the Parties. Hospital shall give such recommendation great weight but, as the billing entity, shall have ultimate discretion in resolving such issue.

(c) The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Chris Lopez, seconded by Supervisor Mary L. Adams to:

Agreement No.: A-15877 ; Amendment No.: 5
a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional Services Agreement (A-15877) with Adelheid Ebenhoech M.D. to provide family medicine services extending the term by twenty-four months (September 21, 2023 to September 19, 2025) for a revised full agreement term of September 20, 2022 to September 19, 2025, and adding $300,000 for a revised total not to exceed amount of $600,000 in the aggregate; and
b. Authorize the Chief Executive Officer for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not cause an increase of more than 10% ($30,000) of the original contract amount and do not increase the total contract amount above $630,000.

PASSED AND ADOPTED on this 19th day of September 2023, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting September 19, 2023.

Dated: September 21, 2023
File ID: A 23-445
Agenda Item No.: 23

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the **"Amendment"**) is made and entered into as of September 20, 2023, by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D, an individual (**"Contractor"**) with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Services Agreement dated effective as of September 20, 2022 (the **"Agreement"**), pursuant to which Contractor provides Specialty services.

C. Hospital and Contractor desire to amend the Agreement to restate the term of the Agreement and add Three Hundred Thousand Dollars ($300,000) to the aggregate amount payable to Contractor.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of Six Hundred Thousand Dollars ($600,000)."

3. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on September 20, 2022 (the **"Effective Date"**), and shall continue until September 19, 2025 (the **"Expiration Date"**), subject to the termination provisions of this Agreement."

4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

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5. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

6. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
2DFEA8FB7DC941A...

Date: 9/2/2023 | 12:06 PM PDT

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles Harris
4E1F837D204E481...

Date: 9/19/2023 | 3:02 PM PDT

Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...

Date: 9/5/2023 | 9:11 AM PDT

Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...

Date: 9/5/2023 | 1:54 PM PDT

Deputy Auditor/Controller

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor John M. Phillips to:

Agreement No.: A-15875 Asset Purchase Agreement with Family Care Medical Group, Inc.
Agreement No.: A-15876 Medical Office Lease Agreement
Agreement No.: A-15877 Professional Services Agreement with Adelheid Ebenhoech, M.D.
Agreement No.: A-15878 Assignment and Assumption Agreement
Agreement No.: A-15879 Athenahealth Master Services Agreement

a. Approve and authorize the Chief Executive Officer ("CEO") for Natividad Medical Center ("NMC") or his designee to execute an Asset Purchase Agreement with Family Care Medical Group, Inc. ("Family Care"), to purchase the assets of the Family Care medical practice located at 17615 Moro Road, Salinas, California, 93907 for a purchase price of $300,000;
b. Approve and authorize the CEO for NMC or his designee to execute a Medical Office Lease with Drs. Steven and Catherine Petronijevic, on substantially the same terms as presented, for 5,381 square feet of medical office space for the operation by County of Monterey of a family medical practice within a medical office building owned by the Petronijevics and located at 17615 Moro Road, Salinas, California, 93907, for the period September 20, 2022 through September 19, 2027 at the monthly rate of: (a) for years one through three of the lease, $23.00 per square foot for a total of $10,313.58 per month; and (b) for years four through five of the lease, $23.69 per square foot for a total of $10,622.99 per month;
c. Authorize the CEO for NMC or his designee to execute the one-year Professional Services Agreement with Family Care ("Group-PSA"), to provide family medicine services at the family medical practice, which shall become effective on the date the agreement is signed by all parties with services commencing on a go-live date of September 20, 2022 for an amount not to exceed $500,000;
d. Authorize the CEO for NMC or his designee to execute the one-year Professional Services Agreement with Adelheid Ebenhoech, M.D. ("Individual-PSA") to provide family medicine services at the County's family medical practice, which shall become effective on the date the agreement is signed by all parties with services commencing on a go-live date of September 20, 2022 for an amount not to exceed $300,000;
e. Authorize the CEO for NMC to execute up to two future amendments to each of the Group-PSA and the Individual-PSA, provided that the amendments do not significantly change the scope of work, and, as to each PSA, the amendments in total do not exceed ten percent (10%);
f. Authorize the CEO for NMC to execute an Assignment and Assumption Agreement, on substantially the same terms as presented, pursuant to which all rights, title, and interest in an athenahealth Master Services Agreement dated November 26, 2014 and related data from tablespace 10227 contained in the athenaNet System shall be transferred from Family Care to the County of Monterey, with an Assignment

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Effective Date of September 20, 2022; and
g. Authorize a total contract liability of $300,000 for the period September 20, 2022 through November 25, 2024 for the athenahealth Master Services Agreement, which by its terms is automatically renewable by additional consecutive one-year terms and terminable based on 90 days' notice.

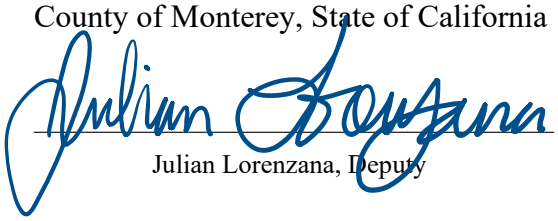
PASSED AND ADOPTED on this 21st day of June 2022, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting June 21, 2022.

Dated: June 24, 2022
File ID: A 22-350
Agenda Item No.: 37.1

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California



Julian Lorenzana, Deputy

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PROFESSIONAL SERVICES AGREEMENT

by and between

NATIVIDAD MEDICAL CENTER ("Hospital")

and

ADELHEID EBENHOECH, M.D. ("Contractor")

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PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (this **"Agreement"**) is entered into as of September 20, 2022 (the **"Effective Date"**) by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D., an individual (**"Contractor"**). County, Hospital and Contractor are sometimes referred to in this Agreement as a **"Party"** or, collectively, as the **"Parties."**

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics, including a primary care clinic located at 17615 Moro Road, Salinas, California 93907 (the "**Clinic**").

B. Contractor is duly licensed to practice medicine in the State of California (the **"State"**). Contractor is board certified or board eligible for the practice of medicine in the specialty of family medicine (the **"Specialty"**).

C. Hospital must arrange for the provision of professional consultation and treatment of patients who present to the Clinic (collectively, the **"Clinic Patients"**), without regard to any consideration other than medical condition.

AGREEMENT

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I.
CONTRACTOR'S OBLIGATIONS

1.1 Professional Services. Contractor shall provide the professional services described in **Exhibit 1.1** (the **"Professional Services"**) to Clinic Patients, upon the terms and subject to the conditions set forth in this Agreement.

1.2 Teaching Services. Contractor shall provide to Hospital those teaching services set forth in **Exhibit 1.2** (collectively, the **"Teaching Services"**).

1.3 Additional Services. Contractor shall provide to Hospital those additional services set forth in **Exhibit 1.3** (the **"Additional Services"**), upon the terms and subject to the conditions set forth in this Agreement. The Professional Services, Teaching Services and Additional Services are sometimes referred to collectively in this Agreement as the **"Services."**

1.4 Time Commitment. Contractor shall allocate time among the Professional Services, Teaching Services and Additional Services as reasonably requested by Hospital from time to time.

1.5 Availability. On or before the first (1st) day of each month, Contractor shall inform Hospital of Contractor's of availability to perform the Services during the following

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month. Contractor shall use his or her best efforts to adjust such schedule of availability if reasonably requested by Hospital in order to meet Hospital's needs for the Services.

1.6 Records and Reports. Contractor shall keep complete, accurate and detailed records of the services provided pursuant to this Agreement and provide the same to Hospital upon request.

1.7 Medical Staff. Contractor shall be a member in good standing and active on the Hospital's Medical Staff and have and maintain all clinical privileges at Hospital necessary for the performance of Contractor's obligations under this Agreement. If, as of the Effective Date (as defined in Section 5.1), Contractor is not a member in good standing or active on the Medical Staff or does not hold all clinical privileges at Hospital necessary for the performance of Contractor's obligations hereunder, Contractor shall have a reasonable amount of time, which in no event shall exceed sixty (60) calendar days from the Effective Date, to obtain such membership and/or clinical privileges; provided, however, that Hospital may immediately terminate this Agreement if Hospital determines that Contractor is not diligently pursuing such membership and/or clinical privileges in accordance with the normal procedures set forth in the Medical Staff bylaws. Contractor may obtain and maintain medical staff privileges at any other hospital or health care facility at Contractor's sole expense.

1.8 Professional Qualifications. Contractor shall have and maintain an unrestricted license to practice medicine in the State. Contractor shall be board certified or board eligible in the Specialty by the applicable medical specialty board approved by the American Board of Medical Specialties. Contractor shall have and maintain a valid and unrestricted United States Drug Enforcement Administration (**"DEA"**) registration.

1.9 Review of Office of the Inspector General ("OIG") Medicare Compliance Bulletins. The OIG from time to time issues Medicare compliance alert bulletins. To the extent applicable to Contractor's performance under this Agreement, Contractor a shall undertake to review, be familiar with and comply with all applicable requirements of such OIG compliance bulletins.

1.10 Performance Standards. Contractor shall comply with all bylaws, Medical Staff policies, rules and regulations of Hospital and the Medical Staff (collectively, the **"Hospital Rules"**), and all protocols applicable to the Services or the Hospital (the **"Protocols"**).

1.11 Code of Conduct. Contractor hereby acknowledges receipt of Hospital's Code of Conduct which is attached to this Agreement as **Exhibit 1.11** (the **"Code"**), and agrees that Contractor has been given ample opportunity to read, review and understand the Code. With respect to Contractor's business dealings with Hospital and their performance of the Services described in this Agreement, neither Contractor shall act in any manner which conflicts with or violates the Code, nor cause another person to act in any manner which conflicts with or violates the Code. Contractor shall comply with the Code as it relates to their business relationship with Hospital or any Affiliate, subsidiaries, employees, agents, servants, officers, directors, contractors and suppliers of every kind.

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1.12 Continuing Medical Education. Contractor shall participate in continuing medical education as necessary to maintain licensure, professional competence and skills commensurate with the standards of the medical community and as otherwise required by the medical profession.

1.13 Use of Space. Contractor shall use Hospital leased or owned space solely and exclusively for the provision of the Services, except in an emergency or with Hospital's prior written consent.

1.14 Notification of Certain Events. Contractor shall notify Hospital in writing within twenty-four (24) hours after the occurrence of any one or more of the following events:

(a) Contractor becomes the subject of, or materially involved in, any investigation, proceeding, or disciplinary action by: Medicare and Medicaid programs or any other Federal health care program, as defined at 42 U.S.C. Section 1320a-7b(f) (collectively, the **"Federal Health Care Programs"**) or state equivalent, any state's medical board, any agency responsible for professional licensing, standards or behavior, or any medical staff;

(b) Contractor's medical staff membership or clinical privileges at any hospital are denied, suspended, restricted, revoked or voluntarily relinquished, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(c) Contractor becomes the subject of any suit, action or other legal proceeding arising out of Contractor's professional services;

(d) Contractor is required to pay damages or any other amount in any malpractice action by way of judgment or settlement;

(e) Contractor becomes the subject of any disciplinary proceeding or action before any state's medical board or similar agency responsible for professional standards or behavior;

(f) Contractor voluntarily or involuntarily retires from the practice of medicine;

(g) Contractor's license to practice medicine in the State is restricted, suspended or terminated, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(h) Contractor is charged with or convicted of a criminal offense;

(i) any act of nature or any other event occurs which has a material adverse effect on Contractor's ability to provide the Services; or

(j) Contractor is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent.

1.15 Representations and Warranties by Contractor. Contractor represents and warrants that: (a) Contractor's license to practice medicine in any state has never been

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suspended, revoked or restricted; (b) Contractor has never been reprimanded, sanctioned or disciplined by any licensing board or medical specialty board; (c) Contractor has never been excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program; (d) Contractor has never been denied membership and/or reappointment to the medical staff of any hospital or health care facility; (e) Contractor's medical staff membership or clinical privileges at any hospital or health care facility have never been suspended, limited or revoked for a medical disciplinary cause or reason; and (f) Contractor has never been charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime relevant to the provision of medical services or the practice of medicine.

1.16 Nondiscrimination. Contractor shall not differentiate or discriminate in performing the Services on the basis of race, religion, creed, color, national origin, ancestry, sex, physical disability, mental disability, medical condition, marital status, age, sexual orientation or payor, or on any other basis prohibited by applicable law.

1.17 Non-Exclusive Services. The Services provided by Contractor hereunder are intended to be non-exclusive. Notwithstanding the above, during the term of this Agreement, Contractor shall undertake to retain the service capacity necessary to provide those Services described in this Agreement, to the extent necessary to serve the reasonably foreseeable patient needs for medical care at Clinic and the administrative services hereunder.

1.18 Compliance with Grant Terms. If this Agreement has been or will be funded with monies received by Hospital or County pursuant to a contract with the state or federal government or private entity in which Hospital or County is the grantee, Contractor shall comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, Hospital shall deliver a copy of said contract to Contractor at no cost to Contractor.

1.19 Medical Records and Claims.

(a) Contractor shall prepare complete, timely, accurate and legible medical and other records with respect to the services and treatment furnished to patients, in accordance with the Hospital Rules, federal and state laws and regulations, and standards and recommendations of such nationally recognized accrediting organization as Hospital designates from time to time. All such information and records relating to any patient shall be: (i) prepared on forms developed, provided or approved by Hospital; (ii) the sole property of Hospital; and (iii) maintained at Hospital in accordance with the terms of this Agreement and for so long as is required by applicable laws and regulations.

(b) Contractor shall maintain and upon request provide to patients, Hospital, and state and federal agencies, all financial books and records and medical records and charts as may be necessary for Contractor and/or Hospital to comply with applicable state, federal, and local laws and regulations and with contracts between Hospital and third party payors. Contractor shall cooperate with Hospital in completing such claim forms for patients as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors. Contractor shall retain all such records and information for at least ten (10) years following the

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expiration or termination of this Agreement. This Section 1.21(b) shall survive the expiration or termination of this Agreement.

1.20 Records Available to Contractor. Both during and after the term of this Agreement, Hospital shall permit Contractor and Contractor's agents to inspect and/or duplicate, at Contractor's sole cost and expense, any medical chart and record to the extent necessary to meet Contractor's professional responsibilities to patients, to assist in the defense of any malpractice or similar claim to which such chart or record may be pertinent, and/or to fulfill requirements pursuant to provider contracts to provide patient information; provided, however, such inspection or duplication is permitted and conducted in accordance with applicable legal requirements and pursuant to commonly accepted standards of patient confidentiality. Contractor shall be solely responsible for maintaining patient confidentiality with respect to any information which Contractor obtains pursuant to this Section.

ARTICLE II.
COMPENSATION

2.1 Compensation. Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of Three Hundred Thousand Dollars ($300,000).

2.2 Billing and Collection. Hospital shall have the sole and exclusive right to bill and collect for any and all Professional Services rendered to Clinic Patients by Contractor under this Agreement (the **"Clinic Services"**). Hospital shall have the sole and exclusive right, title and interest in and to accounts receivable with respect to such Clinic Services.

(a) **Assignment of Claims.** Contractor hereby assigns (or reassigns, as the case may be) to Hospital all claims, demands and rights of Contractor for any and all Clinic Services rendered by Contractor pursuant to this Agreement. Contractor shall take such action and execute such documents (e.g., CMS Forms 855R and 855I), as may be reasonably necessary or appropriate to effectuate the assignment (or reassignment, as the case may be) to Hospital of all claims, demands and rights of Contractor for any and all Clinic Services rendered by Contractor pursuant to this Agreement.

(b) **Cooperation with Billing and Collections.** Contractor shall cooperate with Hospital in the billing and collection of fees with respect to Clinic Services rendered by Contractor. Without limiting the generality of the foregoing, Contractor shall cooperate with Hospital in completing such claim forms with respect to Clinic Services rendered by Contractor pursuant to this Agreement as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors.

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(c) **Hospital as Exclusive Source for Compensation for Clinic Services.** Contractor shall seek and obtain compensation for the performance of Clinic Services only from Hospital. Contractor shall not, bill, assess or charge any fee, assessment or charge of any type against any Hospital patient or any other person or entity for Clinic Services rendered by Contractor pursuant to this Agreement. Contractor shall promptly deliver to Hospital any and all compensation, in whatever form, that is received by Contractor for Clinic Services rendered by Contractor pursuant to this Agreement, including any amount received from any Managed Care Organization (as defined below) for Clinic Services rendered by Contractor pursuant to this Agreement.

(d) **Joint and Several Liability.** Hospital and Contractor acknowledge that they will be jointly and severally liable for any Federal Health Care Program overpayments relating to claims with respect to Clinic Services furnished by Contractor pursuant to this Agreement. The foregoing is not intended and shall not be construed to diminish, limit, alter or otherwise modify in any way the Parties' respective indemnification obligations under this Agreement.

(e) **Indemnification for Billing Information.** Contractor hereby agrees to indemnify County, Hospital, its officers, supervisors, trustees, employees and agents, from and against any and all liability, cost, loss, penalty or expense (including, without limitation, attorneys' fees and court costs) incurred by Hospital resulting from negligent acts or negligent omissions of Contractor which result in inaccurate and/or improper billing information furnished by Contractor and relied on by Hospital regarding Clinic Services rendered by Contractor to Clinic Patients, to the extent such liability, cost, loss, penalty or expense exceeds the amount of payment or reimbursement actually received by Hospital for such services.

2.3 Third Party Payor Arrangements.

(a) Contractor shall cooperate in all reasonable respects necessary to facilitate Hospital's entry into or maintenance of any third party payor arrangements for the provision of services under Federal Health Care Programs or any other public or private health and/or hospital care programs, including insurance programs, self-funded employer health programs, health care service plans and preferred provider organizations.

(b) To enable Hospital or the Clinic to participate in any third party payor arrangement, Contractor shall, not more than ten (10) business days following Hospital's request:

(i) Initiate enrollment as a provider (if required by the third party payor), separate from Hospital and Clinic, with any third party payor or intermediate organization (including any independent practice association) (each, a **"Managed Care Organization"**) designated by Hospital for the provision of Professional Services to Hospital patients covered by such Managed Care Organization;

(ii) Complete any documents (e.g., CAQH Universal Provider Datasource form) as may be reasonably necessary or appropriate to effectuate enrollment;

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(iii) Enter into a written agreement with such Managed Care Organization as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization; and/or

(iv) Enter into a written agreement with Hospital regarding global billing, capitation or other payment arrangements as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization.

ARTICLE III.
INSURANCE AND INDEMNITY

3.1 Evidence of Coverage. Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies. This verification of coverage shall be sent to Hospital's Medical Staff Office, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and Hospital has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

3.2 Qualifying Insurers. All coverages except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Hospital's Contracts/Purchasing Director.

3.3 Insurance Coverage Requirements. Without limiting Contractor's duty to indemnify, Contractor shall maintain in effect throughout the term of this Agreement, at Contractor's sole cost and expense, a policy or policies of insurance with the following minimum limits of liability:

(a) **Professional liability insurance**, covering Contractor with coverage of not less than One-Million Dollars ($1,000,000) per physician per occurrence and Three-Million Dollars ($3,000,000) per physician in the aggregate; or such other amount(s) of professional liability insurance as may be required by Article 2.2-1 of Hospital's Medical Staff Bylaws from time to time, to cover liability for malpractice and/or errors or omissions made in the course of rendering services under this Agreement. If any professional liability insurance covering Contractor is procured on a "Claims Made" rather than "Occurrence" basis, then Contractor shall either continue such coverage or obtain extended reporting coverage (**"Tail Coverage"**), as appropriate, upon the occurrence of any of the following: (i) termination or expiration of this Agreement; (ii) change of coverage if such change shall result in a gap in coverage; or (iii) amendment, reduction or other material change in the then existing professional liability coverage of Contractor if such amendment, reduction or other material change will result in a gap in coverage. Any Tail Coverage shall have liability limits in the amount set forth above and shall in all events continue in existence until the greater of: (a) three (3) years or (b) the longest

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statute of limitations for professional and general liability for acts committed has expired. All insurance required by this Agreement shall be with a company acceptable to County and issued and executed by an admitted insurer authorized to transact insurance business in the State.

(b) **Commercial general liability insurance**, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

(c) **Business automobile liability insurance**, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

(d) **Workers' Compensation Insurance**, if Contractor employs others in the performance of this Agreement, in accordance with California Labor Code Section 3700 and with Employer's Liability limits not less than One Million Dollars ($1,000,000) each person, One Million Dollars ($1,000,000) each accident and One Million Dollars ($1,000,000) each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

3.4 Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to Hospital and issued and executed by an admitted insurer authorized to transact insurance business in the State. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date Contractor complete their performance of services under this Agreement.

Each liability policy shall provide that Hospital shall be given notice in writing at least thirty (30) days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance.

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The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by Hospital, Contractor shall file certificates of insurance with Hospital's Medical Staff Office, showing that the Contractor has in effect the insurance required by this Agreement. The Contractor shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

Contractor shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Hospital, annual certificates to Hospital's Medical Staff Office. If the certificate is not received by the expiration date, Hospital shall notify Contractor and Contractor shall have five (5) calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by Contractor to maintain such insurance is a default of this Agreement, which entitles Hospital, at its sole discretion, to terminate the Agreement immediately.

3.5 Right to Offset Insurance Costs.

(a) In the event that Contractor does not purchase or otherwise have the liability insurance set forth in this Section at any time during the term of this Agreement, and without limiting any rights or remedies of County, County may at its option and within its sole discretion provide the liability insurance required by this Section and continue to pay the premiums therefor. If Contractor does not promptly reimburse all such amounts, then County shall have the right to withhold and offset the compensation due to Contractor under this Agreement, in addition to such other rights or privileges as County may have at law or in equity.

(b) The County's option to provide such insurance and to offset the compensation otherwise due to the Contractor shall also apply to the "Tail Coverage" referenced in Section 3.3, including for general liability if during the term of the Agreement such coverage has been written on a claims made basis, which is required to remain effective after the expiration or termination of this Agreement for any reason.

3.6 Indemnification.

(a) **Indemnification by Contractor.** Contractor shall indemnify, defend, and hold harmless County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with Contractor's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County. "Contractor's

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performance" includes Contractor's acts or omissions and the acts or omissions of Contractor's officers, employees, agents and subcontractors.

(b) **Indemnification by County.** County agrees to defend, indemnify, and hold harmless Contractor, to the extent permitted by applicable law, from and against any and all claims and losses whatsoever accruing or resulting to any person, firm or corporation for damages, injury or death arising out of or connected with any negligent act or omission or willful misconduct of County or any of its agents or employees.

3.7 Indemnification for Timely Payment of Tax Contributions. It is expressly agreed by the Parties hereto that no work, act, commission or omission of Contractor shall be construed to make or render Contractor the agent, employee or servant of County. Contractor agrees to indemnify, defend and hold harmless County and Hospital from and against any and all liability, loss, costs or obligations (including, without limitation, interest, penalties and attorney's fees in defending against the same) against County or Hospital based upon any claim that Contractor has failed to make proper and timely payment of any required tax contributions for itself, its employees, or its purported agents or independent contractors.

3.8 Hospital Services. Hospital shall retain professional and administrative responsibility for the operation of the Clinic, as and to the extent required by Title 22, California Code of Regulations, Section 70713. Hospital's retention of such responsibility is not intended and shall not be construed to diminish, limit, alter or otherwise modify in any way the obligations of Contractor under this Agreement, including, without limitation, the obligations under the insurance and indemnification provisions set forth in this Article III.

3.9 Survival of Obligations. The Parties' obligations under this Article III shall survive the expiration or termination of this Agreement for any reason.

ARTICLE IV.
RELATIONSHIP BETWEEN THE PARTIES

4.1 Independent Contractor.

(a) Contractor is and shall at all times be an independent contractor with respect to Hospital in the performance of Contractor's obligations under this Agreement. Nothing in this Agreement shall be construed to create an employer/employee, joint venture, partnership, lease or landlord/tenant relationship between Hospital and Contractor. Contractor shall not hold himself or herself out as an officer, agent or employee of Hospital, and shall not incur any contractual or financial obligation on behalf of Hospital without Hospital's prior written consent.

(b) If the Internal Revenue Service (**"IRS"**) or any other governmental agency should inquire about, question or challenge the independent contractor status of Contractor with respect to County, the Parties hereto mutually agree that: (i) each shall inform the other Party hereto of such inquiry or challenge; and (ii) County and Contractor shall each have the right to participate in any discussion or negotiation occurring with the taxing agency, regardless of who initiated such discussions or negotiations. In the event the taxing agency concludes that an independent contractor relationship does not exist, County may terminate this Agreement

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effective immediately upon written notice. In the event of such termination, the Parties remain free to negotiate an employer/employee contract.

4.2 Limitation on Control. Hospital shall neither have nor exercise any control or direction over Contractor's professional medical judgment or the methods by which Contractor performs professional medical services; provided, however, that Contractor shall be subject to and shall at all times comply with the Protocols and the bylaws, guidelines, policies and rules applicable to other members of the Medical Staff.

4.3 Practice of Medicine. Contractor and Hospital acknowledge that Hospital is neither authorized nor qualified to engage in any activity which may be construed or deemed to constitute the practice of medicine. To the extent that any act or service required of, or reserved to, Hospital in this Agreement is construed or deemed to constitute the practice of medicine, the performance of such act or service by Hospital shall be deemed waived or unenforceable, unless this Agreement can be amended to comply with the law, in which case the Parties shall make such amendment.

4.4 No Benefit Contributions. Hospital shall have no obligation under this Agreement to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor. Notwithstanding the foregoing, if Hospital determines or is advised that it is required by law to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor, Contractor shall reimburse Hospital for any such expenditure within thirty (30) calendar days after being notified of such expenditure.

4.5 Referrals. Contractor shall be entitled to refer patients to any hospital or other health care facility or provider deemed by Contractor best qualified to deliver medical services to any particular patient; provided, however, that Contractor shall not refer any Hospital patient to any provider of health care services which Contractor knows or should have known is excluded or suspended from participation in, or sanctioned by, any state or Federal Health Care Program. Nothing in this Agreement or in any other written or oral agreement between Hospital and Contractor, nor any consideration offered or paid in connection with this Agreement, contemplates or requires the admission or referral of any patients or business to Hospital or any Affiliate. In the event that any governmental agency, any court or any other judicial body of competent jurisdiction, as applicable, issues an opinion, ruling or decision that any payment, fee or consideration provided for hereunder is made or given in return for patient referrals, either Party may at its option terminate this Agreement with three (3) days' notice to the other Party. Contractor's rights under this Agreement shall not be dependent in any way on the referral of patients or business to Hospital or any Affiliate by Contractor or any person employed or retained by Contractor.

4.6 Form 1099 or W-2. If required to do so under applicable law, Hospital shall issue an Internal Revenue Service Form 1099 or Form W-2 to Contractor.

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4.7 Contractor Compensation Arrangements. Contractor represents and warrants to Hospital that the compensation paid or to be paid by Contractor to any physician is and will at all times be fair market value for services and items actually provided by such physician, not taking into account the value or volume of referrals or other business generated by such physician for Hospital or any Affiliate. Contractor further represents and warrants to Hospital that Contractor has and will at all times maintain a written agreement with each physician receiving compensation from Contractor.

4.8 Cooperation.

(a) The Parties recognize that, during the term of this Agreement and for an undetermined time period thereafter, certain risk management issues, legal issues, claims or actions may arise that involve or could potentially involve the Parties and their respective employees and agents. The Parties further recognize the importance of cooperating with each other in good faith when such issues, claims or actions arise, to the extent such cooperation does not violate any applicable laws, cause the breach of any duties created by any policies of insurance or programs of self-insurance, or otherwise compromise the confidentiality of communications or information regarding the issues, claims or actions. As such, the Parties hereby agree to cooperate in good faith, using their best efforts, to address such risk management and legal issues, claims, or actions.

(b) The Parties further agree that if a controversy, dispute, claim, action or lawsuit (each, an **"Action"**) arises with a third party wherein both the Parties are included as defendants, each Party shall promptly disclose to the other Party in writing the existence and continuing status of the Action and any negotiations relating thereto. Each Party shall make every reasonable attempt to include the other Party in any settlement offer or negotiations. In the event the other Party is not included in the settlement, the settling Party shall immediately disclose to the other Party in writing the acceptance of any settlement and terms relating thereto, if allowed by the settlement agreement.

(c) Contractor shall cooperate with the individual designated by Hospital to have principal responsibility for the administration and operation of the Clinic. Such cooperation shall include supervision, selection, assignment, and evaluation of personnel; management and direction of equipment maintenance; development of budgets; and oversight of the acquisition of materials, supplies, and equipment.

(d) Contractor shall assist Hospital, as reasonably requested by Hospital, in Hospital's compliance with applicable laws and the standards, requirements, guidelines and recommendations of any governing or advisory body having authority to set standards relating to the operation of Hospital, or any nationally recognized accrediting organization that Hospital designates from time to time.

4.9 Contractor's Performance. County or Hospital, at its option and within its sole discretion, may seek evaluation of contractual performance by requesting input from Hospital's Medical Director/Chief Medical Officer and from other professionals within Hospital.

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4.10 Right of Inspection. Upon reasonable prior written notice, Hospital and County officials and their designees may inspect the books and records of Contractor which are necessary to determine that work performed by Contractor to patients hereunder is in accord with the requirements of this Agreement. Such inspection shall be made in a manner so as not to disrupt the operations of Hospital or Contractor.

4.11 Access to and Audit of Records. Hospital shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the Contractor and its subcontractors related to services provided under this Agreement. Pursuant to Government Code Section 8546.7, if this Agreement involves the expenditure of public funds in excess of Ten Thousand Dollars ($10,000), the Parties may be subject, at the request of Hospital or as part of any audit of Hospital, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three (3) years after final payment under the Agreement.

ARTICLE V.
TERM AND TERMINATION

5.1 Term. This Agreement shall become effective on the Effective Date and shall continue for twelve consecutive months (the **"Expiration Date"**), subject to the termination provisions of this Agreement. The term of this Agreement may be extended for two (2) additional one (1) year periods by mutual written agreement of the Parties.

5.2 Termination by Hospital. Hospital shall have the right to terminate this Agreement upon the occurrence of any one or more of the following events:

(a) breach of this Agreement by Contractor where the breach is not cured within thirty (30) calendar days after Hospital gives written notice of the breach to Contractor;

(b) death or permanent disability of Contractor;

(c) Contractor's voluntary retirement from the practice of medicine;

(d) neglect of professional duty by Contractor in a manner that violates Hospital's policies, rules or regulations;

(e) Contractor is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

(f) Contractor's clinical privileges or medical staff membership at any hospital are denied, suspended, terminated, restricted, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(g) Contractor's license to practice medicine in the State is restricted, suspended or terminated, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

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(h) Contractor for any reason is not a member in good standing in the "active staff" category of the Medical Staff or does not hold all clinical privileges at Hospital necessary for Contractor's performance of the Services or Contractor is the subject of one or more investigations, proceedings or peer review or other disciplinary actions by the Medical Staff;

(i) Contractor is charged with or convicted of a criminal offense;

(j) Contractor's performance of this Agreement, in the sole determination of Hospital, jeopardizes the mental or physical health or well-being of patients of Hospital;

(k) Contractor is debarred, suspended, excluded or otherwise ineligible to participate in any state or Federal Health Care Program or state equivalent;

(l) Contractor acts, or causes another person to act, in a manner which conflicts with or violates the Code;

(m) breach by Contractor of any HIPAA Obligation (as defined in **Exhibit 6.3**);

(n) Contractor makes an assignment for the benefit of creditors, admits in writing the inability to pay his or her debts as they mature, applies to any court for the appointment of a trustee or receiver over his or her assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law of any jurisdiction;

(o) the insurance required to be maintained by Contractor under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or Contractor) for any reason, and Contractor has not obtained replacement coverage as required by this Agreement prior to the effective date of such termination, reduction, non-renewal or cancellation;

(p) Contractor is rendered unable to comply with the terms of this Agreement for any reason; or

(q) upon a sale of all or substantially all assets comprising Hospital's acute care hospital facility, any change of control in Hospital's organization, or any change in control of its day to day operations, whether through a membership change or by management contract. Hospital shall notify Contractor in writing of such sale or change of control at least thirty (30) days prior to the closing date of any such sale or the effective date of any such change of control.

5.3 Termination by Contractor. Contractor shall have the right to terminate this Agreement upon breach of this Agreement by Hospital where the breach is not cured within thirty (30) calendar days after Contractor gives written notice of the breach to Hospital.

5.4 Termination or Modification in the Event of Government Action.

(a) If the Parties receive notice of any Government Action, the Parties shall attempt to amend this Agreement in order to comply with the Government Action.

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- If the Parties, acting in good faith, are unable to make the amendments necessary to comply with the Government Action, or, alternatively, if either Party determines in good faith that compliance with the Government Action is impossible or infeasible, this Agreement shall terminate ten (10) calendar days after one Party notices the other of such fact.

- For the purposes of this Section, **"Government Action"** shall mean any legislation, regulation, rule or procedure passed, adopted or implemented by any federal, state or local government or legislative body or any private agency, or any notice of a decision, finding, interpretation or action by any governmental or private agency, court or other third party which, in the opinion of counsel to Hospital, because of the arrangement between the Parties pursuant to this Agreement, if or when implemented, would:

  (i) revoke or jeopardize the status of any health facility license granted to Hospital or any Affiliate of Hospital;

  (ii) revoke or jeopardize the federal, state or local tax-exempt status of Hospital or any Affiliate of Hospital, or their respective tax-exempt financial obligations;

  (iii) prevent Contractor from being able to access and use the facilities of Hospital or any Affiliate of Hospital;

  (iv) constitute a violation of 42 U.S.C. Section 1395nn (commonly referred to as the Stark law) if Contractor referred patients to Hospital or any Affiliate of Hospital;

  (v) prohibit Hospital or any Affiliate of Hospital from billing for services provided to patients referred to by Contractor;

  (vi) subject Hospital or Contractor, or any Affiliate of Hospital, or any of their respective employees or agents, to civil or criminal prosecution (including any excise tax penalty under Internal Revenue Code Section 4958), on the basis of their participation in executing this Agreement or performing their respective obligations under this Agreement; or

  (vii) jeopardize Hospital's full accreditation with any accrediting organization as Hospital designates from time to time.

(b) For the purposes of this Agreement, **"Affiliate"** shall mean any entity which, directly or indirectly, controls, is controlled by or is under common control with Hospital.

5.5 Termination without Cause. Either Party may terminate this Agreement without cause, expense or penalty, effective sixty (60) calendar days after written notice of termination is given to the other Party.

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5.6 Effect of Termination or Expiration. Upon any termination or expiration of this Agreement:

(a) All rights and obligations of the Parties shall cease except: (i) those rights and obligations that have accrued and remain unsatisfied prior to the termination or expiration of this Agreement; (ii) those rights and obligations which expressly survive termination or expiration of this Agreement; and (iii) Contractor's obligation to continue to provide services to Hospital patients under Contractor's care at the time of expiration or termination of this Agreement, until the patient's course of treatment is completed or the patient is transferred to the care of another physician.

(b) Contractor shall not do anything or cause any other person to do anything that interferes with Hospital's efforts to engage any other person or entity for the provision of the Services, or interfere in any way with any relationship between Hospital and any other person or entity who may be engaged to provide the Services to Hospital.

(c) Contractor shall not have any right to a "fair hearing" or any other similar rights or procedures under the Medical Staff bylaws or otherwise.

(d) This Section 5.6 shall survive the expiration or termination for any reason of this Agreement.

(e) This Section 5.6 shall survive the expiration or termination for any reason of this Agreement.

5.7 Return of Property. Upon any termination or expiration of this Agreement, Contractor shall immediately return to Hospital all of Hospital's property, including Hospital's equipment, supplies, furniture, furnishings and patient records, which is in Contractor's possession or under Contractor's control.

5.8 Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the County for services that are to be provided under this Agreement, County, in its sole and absolute discretion after consultation with the Contractor, may elect to terminate this Agreement by giving written notice of termination to Contractor effective immediately or on such other date as County specifies in the notice. Alternatively, County and Contractor may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

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ARTICLE VI.
GENERAL PROVISIONS

6.1 Amendment. This Agreement may be modified or amended only by mutual written agreement of the Parties. Any such modification or amendment must be in writing, dated and signed by the Parties and attached to this Agreement.

6.2 Assignment. This Agreement is entered into by Hospital in reliance on the professional and administrative skills of Contractor. Contractor shall be solely responsible for providing the Services and otherwise fulfilling the terms of this Agreement, except as specifically set forth in this Agreement. Except for assignment by Hospital to an entity owned, controlled by, or under common control with Hospital, neither Party may assign any interest or obligation under this Agreement without the other Party's prior written consent. Subject to the foregoing, this Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns.

6.3 Compliance with HIPAA. Contractor shall comply with the obligations under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.), as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, and all rules and regulations promulgated thereunder (collectively, **"HIPAA,"** the obligations collectively referred to herein as **"HIPAA Obligations"**), as set forth in **Exhibit 6.3**. The HIPAA Obligations shall survive the expiration or termination of this Agreement for any reason.

6.4 Compliance with Laws and Accreditation. Contractor shall comply with all applicable laws, ordinances, codes and regulations of federal, state and local governments (collectively, **"Laws"**) applicable to Contractor, the provision of the Services, or the obligations of Contractor under this Agreement, including without limitation laws that require Contractor to disclose any economic interest or relationship with Hospital. Contractor shall take actions necessary to ensure that the Hospital and/or Clinic are operated in accordance with: all requirements of a nationally recognized accrediting organization that Hospital designates from time to time, all applicable licensing requirements, and all other relevant requirements promulgated by any federal, state or local agency.

6.5 Compliance with Medicare Rules. To the extent required by law or regulation, Contractor shall make available, upon written request from Hospital, the Secretary of Health and Human Services, the Comptroller General of the United States, or any duly authorized agent or representative, a copy of this Agreement and Contractor's books, documents and records. Contractor shall preserve and make available such books, documents and records for a period of ten (10) years after the end of the term of this Agreement, or the length of time required by state or federal law. If Contractor is requested to disclose books, documents or records pursuant to this Section for any purpose, Contractor shall notify Hospital of the nature and scope of such request, and Contractor shall make available, upon written request of Hospital, all such books, documents or records. Contractor shall indemnify and hold harmless Hospital if any amount of reimbursement is denied or disallowed because of Contractor's failure to comply with the obligations set forth in this Section. Such indemnity shall include, but not be limited to, the amount of reimbursement denied, plus any interest, penalties and legal costs. This Section shall survive the expiration or termination for any reason of this Agreement.

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If Contractor carries out any of the duties of the contract through a subcontract, with a value or cost of Ten Thousand Dollars ($10,000) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such Services pursuant to such subcontract, the related organization shall make available, upon written request by the Secretary, or upon request by the Comptroller General, or any of their duly authorized representatives, the subcontract and books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

6.6 Confidential Information.

(a) During the term of this Agreement, Contractor may have access to and become acquainted with Trade Secrets and Confidential Information of Hospital. **"Trade Secrets"** includes information and data relating to payor contracts and accounts, clients, patients, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data. **"Confidential Information"** includes Trade Secrets and any information related to the past, current or proposed operations, business or strategic plans, financial statements or reports, technology or services of Hospital or any Affiliate that Hospital discloses or otherwise makes available in any manner to Contractor, or to which Contractor may gain access in the performance of the Services under this Agreement, or which Contractor knows or has reason to know is confidential information of Hospital or any Affiliate; whether such information is disclosed orally, visually or in writing, and whether or not bearing any legend or marking indicating that such information or data is confidential. By way of example, but not limitation, Confidential Information includes any and all know-how, processes, manuals, confidential reports, procedures and methods of Hospital, any Hospital patient's individually identifiable health information (as defined under HIPAA), and any information, records and proceedings of Hospital and/or Medical Staff committees, peer review bodies, quality committees and other committees or bodies charged with the evaluation and improvement of the quality of care. Confidential Information also includes proprietary or confidential information of any third party that may be in Hospital's or any Affiliate's possession.

(b) Confidential Information shall be and remain the sole property of Hospital, and shall, as applicable, be proprietary information protected under the Uniform Trade Secrets Act. Neither Contractor shall use any Confidential Information for any purpose not expressly permitted by this Agreement, or disclose any Confidential Information to any person or entity, without the prior written consent of Hospital. Contractor shall protect the Confidential Information from unauthorized use, access, or disclosure in the same manner as Contractor protects his, her, or its own confidential or proprietary information of a similar nature and with no less than reasonable care. All documents that Contractor prepare, or Confidential Information that might be given to Contractor in the course of providing Services under this Agreement, are the exclusive property of Hospital, and, without the prior written consent of Hospital, shall not be removed from Hospital's premises.

(c) Contractor shall return to Hospital all Confidential Information and all copies thereof in Contractor's possession or control, and permanently erase all electronic copies of such Confidential Information, promptly upon the written request of Hospital, or the termination or

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expiration of this Agreement. Neither Contractor shall copy, duplicate or reproduce any Confidential Information without the prior written consent of Hospital.

(d) This Section shall survive the expiration or termination of this Agreement.

6.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6.8 Disclosure of Interests. Contractor shall provide to Hospital, as requested by Hospital from time to time, information sufficient to disclose any ownership, investment or compensation interest or arrangement of Contractor, or any of Contractor's immediate family members, in any entity providing "designated health services" (as such term is defined in the Stark Law (42 U.S.C. Section 1395nn) and its regulations) or any other health care services. This Section shall not impose on Hospital any disclosure or reporting requirements or obligations imposed on Contractor under any governmental program or create an assumption of such disclosure obligations by Hospital. Contractor shall have the sole responsibility to fulfill any such federal and/or state reporting requirements or obligations.

6.9 Dispute Resolution. In the event of any dispute, controversy, claim or disagreement arising out of or related to this Agreement or the acts or omissions of the Parties with respect to this Agreement (each, a **"Dispute"**), the Parties shall resolve such Dispute as follows:

(b) **Meet and Confer.** The Parties shall, as soon as reasonably practicable, but in no case more than ten (10) days after one Party gives written notice of a Dispute to the other Party (the **"Dispute Notice"**), meet and confer in good faith regarding such Dispute at such time and place as mutually agreed upon by the Parties (the **"Meet and Confer"**). The obligation to conduct a Meet and Confer pursuant to this Section does not obligate either Party to agree to any compromise or resolution of the Dispute that such Party does not determine, in its sole and absolute discretion, to be a satisfactory resolution of the Dispute. The Meet and Confer shall be considered a settlement negotiation for the purpose of all applicable Laws protecting statements, disclosures or conduct in such context, and any offer in compromise or other statements or conduct made at or in connection with any Meet and Confer shall be protected under such Laws.

(c) **Arbitration.** If any Dispute is not resolved to the mutual satisfaction of the Parties within ten (10) business days after delivery of the Dispute Notice (or such other period as may be mutually agreed upon by the Parties in writing), the Parties shall submit such Dispute to arbitration conducted by Judicial Arbitration and Mediation Services, Inc. (**"JAMS"**), or other arbitration and/or mediation services company as agreed to by the Parties, in accordance with the following rules and procedures:

(i) Each Party may commence arbitration by giving written notice to the other Party demanding arbitration (the **"Arbitration Notice"**). The Arbitration Notice shall specify the Dispute, the particular claims and/or causes of actions alleged by the Party demanding

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arbitration, and the factual and legal basis in support of such claims and/or causes of action.

(ii) The arbitration shall be conducted in the County in which the Hospital is located and in accordance with the commercial arbitration rules and procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) to the extent such rules and procedures are not inconsistent with the provisions set forth in this Section. In the event of a conflict between any rules and/or procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) and the rules and/or procedures set forth in this Section, the rules and/or procedures set forth in this Section shall govern.

(iii) The arbitration shall be conducted before a single impartial retired member of the JAMS panel of arbitrators (or panel of arbitrators from such other arbitration company as mutually agreed to by the Parties) covering the County in which the Hospital is located (the **"Panel"**). The Parties shall use their good faith efforts to agree upon a mutually acceptable arbitrator within thirty (30) days after delivery of the Arbitration Notice. If the Parties are unable to agree upon a mutually acceptable arbitrator within such time period, then each Party shall select one arbitrator from the Panel, and those arbitrators shall select a single impartial arbitrator from the Panel to serve as arbitrator of the Dispute.

(iv) The Parties expressly waive any right to any and all discovery in connection with the arbitration; provided, however, that each Party shall have the right to conduct no more than two (2) depositions and submit one set of interrogatories with a maximum of forty (40) questions, including subparts of such questions.

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(v) The arbitration hearing shall commence within thirty (30) days after appointment of the arbitrator. The substantive internal law (and not the conflict of laws) of the State shall be applied by the arbitrator to the resolution of the Dispute, and the Evidence Code of the State shall apply to all testimony and documents submitted to the arbitrator. The arbitrator shall have no authority to amend or modify the limitation on the discovery rights of the Parties or any of the other rules and/or procedures set forth in this Section. As soon as reasonably practicable, but not later than thirty (30) days after the arbitration hearing is completed, the arbitrator shall arrive at a final decision, which shall be reduced to writing, signed by the arbitrator and mailed to each of the Parties and their respective legal counsel.

(vi) Any Party may apply to a court of competent jurisdiction for entry and enforcement of judgment based on the arbitration award. The award of the arbitrator shall be final and binding upon the Parties without appeal or review except as permitted by the Arbitration Act of the State.

(vii) The fees and costs of JAMS (or other arbitration company as mutually agreed to by the Parties) and the arbitrator, including any costs and expenses incurred by the arbitrator in connection with the arbitration, shall be borne equally by the Parties, unless otherwise agreed to by the Parties.

(viii) Except as set forth in Section 6.9(b)(vii), each Party shall be responsible for the costs and expenses incurred by such Party in connection with the arbitration, including its own attorneys' fees and costs; provided, however, that the arbitrator shall require one Party to pay the costs and expenses of the prevailing Party, including attorneys' fees and costs and the fees and costs of experts and consultants, incurred in connection with the arbitration if the arbitrator determines that the claims and/or position of a Party were frivolous and without reasonable foundation.

(d) **Waiver of Injunctive or Similar Relief.** The Parties hereby waive the right to seek specific performance or any other form of injunctive or equitable relief or remedy arising out of any Dispute, except that such remedies may be utilized for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Except as expressly provided herein, upon any determination by a court or by an arbitrator that a Party has breached this Agreement or improperly terminated this Agreement, the other Party shall accept monetary damages, if any, as full and complete relief and remedy, to the exclusion of specific performance or any other form of injunctive or equitable relief or remedy.

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(e) **Injunctive or Similar Relief.** Notwithstanding anything to the contrary in this Section, the Parties reserve the right to seek specific performance or any other form of injunctive relief or remedy in any state or federal court located within the County in which the Hospital is located for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Contractor hereby consents to the jurisdiction of any such court and to venue therein, waives any and all rights under the Laws of any other state to object to jurisdiction within the State, and consents to the service of process in any such action or proceeding, in addition to any other manner permitted by applicable Law, by compliance with the notices provision of this Agreement. The non-prevailing Party in any such action or proceeding shall pay to the prevailing Party reasonable fees and costs incurred in such action or proceeding, including attorneys' fees and costs and the fees and costs of experts and consultants. The prevailing Party shall be the Party who is entitled to recover its costs of suit (as determined by the court of competent jurisdiction), whether or not the action or proceeding proceeds to final judgment or award.

(f) **Survival.** This Section shall survive the expiration or termination of this Agreement.

6.10 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties. No other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

6.11 Exhibits. The attached exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

6.12 Force Majeure. Neither Party shall be liable for nonperformance or defective or late performance of any of its obligations under this Agreement to the extent and for such periods of time as such nonperformance, defective performance or late performance is due to reasons outside such Party's control, including acts of God, war (declared or undeclared), terrorism, action of any governmental authority, civil disturbances, riots, revolutions, vandalism, accidents, fire, floods, explosions, sabotage, nuclear incidents, lightning, weather, earthquakes, storms, sinkholes, epidemics, failure of transportation infrastructure, disruption of public utilities, supply chain interruptions, information systems interruptions or failures, breakdown of machinery or strikes (or similar nonperformance, defective performance or late performance of employees, suppliers or subcontractors); provided, however, that in any such event, each Party shall use its good faith efforts to perform its duties and obligations under this Agreement.

6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State.

6.14 Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

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6.15 Litigation Consultation. Contractor shall not accept consulting assignments or otherwise contract, agree, or enter into any arrangement to provide expert testimony or evaluation on behalf of a plaintiff in connection with any claim against Hospital or any Affiliate named, or expected to be named as a defendant. Contractor shall not accept similar consulting assignments if (a) the defendants or anticipated defendants include a member of the medical staff of Hospital or any Affiliate, and (b) the matter relates to events that occurred at Hospital or any Affiliate; provided, however, the provisions of this Section shall not apply to situations in which Contractor served as a treating physician.

6.16 Master List. The Parties acknowledge and agree that this Agreement, together with any other contracts between Hospital and Contractor, will be included on the master list of physician contracts maintained by Hospital.

6.17 Meaning of Certain Words. Wherever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine, or neuter forms, and the singular form of nouns shall include the plural and vice versa. Unless otherwise specified: (i) "days" shall be considered "calendar days;" (ii) "months" shall be considered "calendar months;" and (iii) "including" means "including, without limitation" in this Agreement and its exhibits and attachments.

6.18 No Conflicting Obligations. Contractor represents and warrants that the execution and delivery of this Agreement and the performance of its obligations hereunder do not and will not: (a) present a conflict of interest or materially interfere with the performance of Contractor's duties under any other agreement or arrangement; or (b) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice and/or lapse of time, would constitute a default) under, terminate, accelerate the performance required by, or result in a right of termination or acceleration under any of the terms, conditions or provisions of any other agreement, indebtedness, note, bond, indenture, security or pledge agreement, license, franchise, permit, or other instrument or obligation to which Contractor is a party or by which Contractor is bound. Contractor shall immediately inform Hospital of any other agreements to which Contractor is a party that may present a conflict of interest or materially interfere with performance of Contractor's duties under this Agreement.

6.19 No Third Party Beneficiary Rights. The Parties do not intend to confer and this Agreement shall not be construed to confer any rights or benefits to any person, firm, group, corporation or entity other than the Parties.

6.20 Notices. All notices or communications required or permitted under this Agreement shall be given in writing and delivered personally or sent by United States registered or certified mail with postage prepaid and return receipt requested or by overnight delivery service (e.g., Federal Express, DHL). Notice shall be deemed given when sent, if sent as specified in this Section, or otherwise deemed given when received. In each case, notice shall be delivered or sent to:

If to Hospital, addressed to:

NATIVIDAD MEDICAL CENTER

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1441 Constitution Blvd., Bldg. 300
Salinas, California 93906
Attention: Dr. Craig Walls, Chief Medical Officer

If to Contractor, addressed to:

ADELHEID EBENHOECH, M.D.
Address: 37 Frisch Road
City/State/Zip: Prunedale, CA 93907
Attn: Dr. Adelheid Ebenhoech
Phone: (831) 809-8468
Fax: (831) 222-1003

6.21 Participation in Federal Health Care Programs. Contractor hereby represents that he or she is not debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program.

6.22 Representations. Each Party represents with respect to itself that: (a) no representation or promise not expressly contained in this Agreement has been made by any other Party or by any Parties' agents, employees, representatives or attorneys; (b) this Agreement is not being entered into on the basis of, or in reliance on, any promise or representation, expressed or implied, other than such as are set forth expressly in this Agreement; and (c) Party has been represented by legal counsel of Party's own choice or has elected not to be represented by legal counsel in this matter.

6.23 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

6.24 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

6.25 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

[*signature page follows*]

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The Parties have executed this Agreement on the date first above written, and signify their agreement with duly authorized signatures.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
2DFEA8FB7DC941A...

Date: 6/16/2022 | 7:16 AM PDT

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles Harris
4E1F837D204E481...

Date: 7/13/2022 | 11:21 AM PDT

Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...

Date: 7/5/2022 | 4:28 PM PDT

Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...

Date: 7/7/2022 | 11:33 AM PDT

Deputy Auditor/Controller

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Exhibit 1.1

PROFESSIONAL SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. Treat all patients in accordance within the accepted standard of medical care.

2. Initiate communication with patients' other treating providers whenever indicated.

3. Consult with other professionals when doing so is in the best interest of the patients.

4. Promptly complete all medical records.

5. Maintain patient confidentiality.

6. Respond to all reasonable requests for emergency assistance from existing patients.

7. Secure the patient's informed consent for medical care, when appropriate.

8. Be familiar and stay in compliance with all federal and state statutes, as well as all applicable government healthcare program and third-party payor rules and regulations.

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Exhibit 1.2

TEACHING SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. supervise patient care in a constructive and supportive way;

2. demonstrate effective interviewing, physical examination, procedures, use of diagnostic and therapeutic interventions, and medical records documentation;

3. create a professional role model; and

4. evaluate resident performance in a meaningful, objective fashion.

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Exhibit 1.3

ADDITIONAL SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. provide teaching, educational or training services, as reasonably requested by Hospital;

2. participate in utilization review programs, as reasonably requested by Hospital;

3. participate in risk management, quality assurance and peer review programs, as reasonably requested by Hospital;

4. accept third party insured patients and referrals of patients which are made by members of the Medical Staff, subject only to the limitations of scheduling and Contractor's professional qualifications;

5. assist Hospital in monitoring and reviewing the clinical performance of health care professionals who provide services to Hospital's patients; including reviewing incident reports and patient satisfaction studies relevant to the Specialty, and assisting Hospital in implementing any necessary corrective actions to address any issues identified during the course of such review;

6. assist in monitoring the performance of those professionals who are not meeting Hospital quality and/or performance standards, including, without limitation, direct observation of the provision of care by such professionals, and in disciplining any professionals who continue poor performance, recognizing that the Hospital Board of Directors is ultimately responsible for maintaining the standards of care provided to patients;

7. assist Hospital management with all preparation for, and conduct of, any inspections and on-site surveys of Clinic conducted by governmental agencies or accrediting organizations,;

8. cooperate with Hospital in all litigation matters affecting Contractor or Hospital, consistent with advice from Contractor's legal counsel;

9. cooperate and comply with Hospital's policies and procedures which are pertinent to patient relations, quality assurance, scheduling, billing, collections and other administrative matters and cooperate with Hospital's efforts to bill and collect fees for services rendered to Hospital's patients. All business transactions related to the Services provided by Contractor, such as enrollment, verification and billings, shall be conducted by and in the name of Hospital; and

10. assist Hospital in developing, implementing and monitoring a program by which quality measures are reportable to Hospital with respect to the Specialty.

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Exhibit 1.11

Natividad MEDICAL CENTER

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 08/11
Standard: MSP004-2	**Approved: MEC** 08/11 **BOT** 09/11

As a member of the Medical Staff or an Allied Health Professional (AHP) of Natividad Medical Center (NMC) (collectively Practitioners), I acknowledge that the ability of Practitioners and NMC employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team. I recognize that patients, family members, visitors, colleagues and NMC staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of NMC, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at NMC, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the NMC health care team.

2. Recognize the individual and independent responsibilities of all other members of the NMC health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, NMC employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Contribute to the overall educational mission of NMC.

6. Reflect positively upon the reputation of the health care profession, the Medical Staff, and NMC in their language, action, attitude, and behavior.

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Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior. Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of NMC, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at NMC, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the NMC health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude and behavior which consistently convey to patients, families, colleagues, and all other members of the NMC health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all NMC professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post-discharge planning and follow-up.

6. Respect the right of patients, families or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within NMC with courtesy, respect, and human dignity.

8. Conduct one's practice at NMC in a manner that will facilitate timely commencement of medical/surgical procedures at NMC, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of NMC owned property.

2. Falsification of medical records, including timekeeping records and other NMC documents.

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3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or NMC employees should be reported on a NMC Quality Review Report form and submitted pursuant to NMC policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

    b. Harassing conduct includes, but is not limited to:

        1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

        2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on NMC's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects;

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10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages;

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling or shouting at a person, or threatening violence or retribution;

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of NMC staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at NMC who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident on a NMC Quality Review Report form.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

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Exhibit 2.1

COMPENSATION

1. **Clinic Services**. Hospital shall pay to Contractor per Work Relative Value Unit (as defined by the Centers for Medicare & Medicaid Services from time to time) ("**wRVU**") for those Professional Services rendered to Clinic Patients by Contractor, provided, however, that Contractor is in compliance with the terms and conditions of this Agreement and applicable Laws.

(g) Contractor shall be paid on the CPT codes submitted to and verified by Hospital professional billing office coders.

(h) Contractor must complete clinical documentation using Hospital's system on all submitted claims prior to reimbursement.

(i) Compensation will be calculated as follows:

(i) Thirty-Six Dollars and Forty Cents ($36.40) per wRVU personally performed by Contractor, or

(ii) Forty-One Dollars and Eighty-Six Cents ($41.86) per wRVU personally performed by Contractor during such time when Contractor is performing such services while directly supervising a family medicine resident at the request of Hospital.

2. **Timing.** At the end of each month, Hospital shall provide Contractor a monthly report ("**Encounter Summary**") that demonstrates the calculation of the compensation payable under this section.

(a) Contractor shall review the Encounter Summary for accuracy and return the signed Encounter Summary to Hospital within five (5) business days.

(b) In the event of a dispute regarding the appropriateness of a CPT code or modifier, or similar technical billing issue, which cannot be resolved informally by the Parties, the Parties shall jointly designate an independent third party billing expert to review and make a recommendation regarding the issue. The cost of such expert shall be shared equally by the Parties. Hospital shall give such recommendation great weight but, as the billing entity, shall have ultimate discretion in resolving such issue.

(c) The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".

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Exhibit 6.3

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective _____ ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Adelheid Ebenhoech, M.D. ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

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2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law , or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

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(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

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(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

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(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R.
§ 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

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4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

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5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

ADELHEID EBENHOECH, M.D.
Address: _____
City/State/Zip: _____
Attn: _____
Phone: _____
Fax: _____

If to Covered Entity, to:

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906
Attention: Compliance Officer
Phone: 831.755.4111

Fax: 831.755.6297

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

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5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

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IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

ADELHEID EBENHOECH, M.D.

By: DocuSigned by: 2DFEA8FB7DC941A...

Print Name: Dr. Adelheid Ebenhoech

Print Title: Medical Doctor

Date: 6/16/2022 | 7:16 AM PDT

COUNTY OF MONTEREY, ON BEHALF OF *NATIVIDAD MEDICAL CENTER*

By: DocuSigned by: Charles Harris 4E1F837D204E481...

Print Name: Charles Harris

Print Title: CEO

Date: 7/13/2022 | 11:21 AM PDT

Introduced: 7/25/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement (A-16552) with Monterey Bay GI Consultants Medical Group, Inc. to provide gastroenterology services, adding $800,000 for a revised not to exceed amount of $1,600,000 and extending the term by 24 months (October 1, 2025 to September 30, 2027) for a revised full agreement term of September 1, 2023 to September 30, 2027; and
b. Authorize the CEO for NMC or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, do not exceed 10% ($80,000) of the original contract amount, and do not increase the total contract amount above $1,680,000.

RECOMMENDATION:

a. Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement (A-16552) with Monterey Bay GI Consultants Medical Group, Inc. to provide gastroenterology services, adding $800,000 for a revised not to exceed amount of $1,600,000 and extending the term by 24 months (October 1, 2025 to September 30, 2027) for a revised full agreement term of September 1, 2023 to September 30, 2027; and
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SUMMARY/DISCUSSION:

NMC must arrange for care and treatment of patients who present to the emergency department and hospitalized patients in the need of medical care in the specialty of gastroenterology. Natividad would like amend this Agreement with Monterey Bay GI Consultants Medical Group, Inc. so that its board-certified gastroenterologists can continue to provide gastroenterology call coverage in the emergency department along with other panel members to ensure sufficient coverage of the service twenty-four hours per day, seven days a week including holidays.

The group is paid a daily rate for call coverage services according to the terms of the Agreement. The amount of services provided may increase due to availability and need for coverage, but the rate of pay will remain the same for the term of the agreement. NMC has obtained independent opinion of fair market value supporting the payment terms of this

agreement.

OTHER AGENCY INVOLVEMENT:
County Counsel has reviewed and approved this Amendment as to legal form.
Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

FINANCING:
The cost of this Amendment is $800,000. The total not to exceed amount of this Agreement is $1,680,000 for the period September 1, 2023 to September 30, 2027. $400,000 is included the Fiscal Year 2025/2026 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:

First Amendment
Agreement

Attachments on file at the Clerk of the Board

Introduced: 7/25/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

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SUMMARY/DISCUSSION:

NMC must arrange for care and treatment of patients who present to the emergency department and hospitalized patients in the need of medical care in the specialty of gastroenterology. Natividad would like amend this Agreement with Monterey Bay GI Consultants Medical Group, Inc. so that its board-certified gastroenterologists can continue to provide gastroenterology call coverage in the emergency department along with other panel members to ensure sufficient coverage of the service twenty-four hours per day, seven days a week including holidays.

The group is paid a daily rate for call coverage services according to the terms of the Agreement. The amount of services provided may increase due to availability and need for coverage, but the rate of pay will remain the same for the term of the agreement. NMC has obtained independent opinion of fair

market value supporting the payment terms of this agreement.

OTHER AGENCY INVOLVEMENT:
County Counsel has reviewed and approved this Amendment as to legal form. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

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The cost of this Amendment is $800,000. The total not to exceed amount of this Agreement is $1,680,000 for the period September 1, 2023 to September 30, 2027. $400,000 is included the Fiscal Year 2025/2026 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:

First Amendment
Agreement

Attachments on file at the Clerk of the Board

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FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Amendment"**) is made and entered into as of October 1, 2025, by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation (**"Contractor"**) with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of September 1, 2023 (the **"Agreement"**) pursuant to which Contractor provides Specialty services to Patients.

C. Hospital and Contractor desire to amend the Agreement to extend the term of the Agreement for an additional twenty-four (24) months and add Eight Hundred Thousand Dollars ($800,000) to the aggregate amount payable to Contractor, as set forth below.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation**"), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Six Hundred Thousand Dollars ($1,600,000)**."**

3. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> "**5.1 Term.** This Agreement shall become effective on September 1, 2023 (the **"Effective Date"**), and shall continue until September 30, 2027 (the **"Expiration Date"**), subject to the termination provisions of this Agreement."

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4. **Exhibit 1.10**. Exhibit 1.10 to the Agreement is hereby renumbered as Exhibit 1.11 and deleted and replaced in its entirety and attached hereto as **Exhibit 1.11**.

5. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

7. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: DDC6244B-47D3-4A56-8F6C-EACE32FB6743

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation

DocuSigned by:
By: Daniel Luba
B974AA04988425...
Its Daniel Luba

Date: 7/22/2025 | 5:14 PM PDT

NATIVIDAD MEDICAL CENTER

_____ Date: _____
Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel

Date: 7/28/2025 | 10:11 AM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Deputy Auditor/Controller

Date: 7/28/2025 | 2:28 PM PDT

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Exhibit 1.11

Natividad
Inspiring healthy lives

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Number:** MSP004-2 BOT Approval: 1/2023
Standard: Medical Staff (MS)	MEC Approval: 12/22 Responsible: Medical Staff Services Manager

As a member of the Medical Staff or an Advanced Practice Professional (APP) of Natividad (collectively Practitioners), you must acknowledge that the ability of Practitioners and Natividad employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team, recognizing that patients, family members, visitors, colleagues and Natividad staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of Natividad, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at Natividad, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the Natividad health care team.

2. Recognize the individual and independent responsibilities of all other members of the Natividad health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, Natividad employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Reflect positively upon the reputation of the health care profession, the Medical Staff, and Natividad in their language, action, attitude, and behavior.

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6. Commit and contribute to the overall educational mission of Natividad and promote an effective, inclusive, equitable and supportive clinical learning environment.

Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior.

Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of Natividad, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at Natividad, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the Natividad health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude, and behavior which consistently convey to patients, families, colleagues, and all other members of the Natividad health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all Natividad professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post-discharge planning and follow-up.

6. Respect the right of patients, families, or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within Natividad with courtesy, respect, and human dignity.

8. Conduct one's practice at Natividad in a manner that will facilitate timely commencement of medical/surgical procedures at Natividad, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

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EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of Natividad owned property.

2. Falsification of medical records, including timekeeping records and other Natividad documents.

3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport, or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or Natividad employees should generate an Occurrence Report in Verge and submit pursuant to Natividad policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

    b. Harassing conduct includes, but is not limited to:

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1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on Natividad's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects.

10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages.

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling, or shouting at a person, or threatening violence or retribution.

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of Natividad staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at Natividad who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident via an Occurrence Report in Verge.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

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Natividad
Inspiring healthy lives

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 12/22
Standard: MSP004-2	**Approved: MEC** 12/22 **BOT** 1/23

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

Printed name: Daniel Luba

Signature: DocuSigned by: Daniel Luba B974AA244988425... Date: 7/22/2025 | 5:14 PM PDT

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Chris Lopez, seconded by Supervisor Mary L. Adams to:

Agreement No.: A-16552
a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) to execute the Professional and Call Coverage Services Agreement with Monterey Bay GI Consultants to provide gastroenterology services for an amount not to exceed $800,000 for the period September 1, 2023 to September 30, 2025; and
b. Authorize the Chief Executive Officer for NMC to sign up to three (3) amendments to this agreement where the total amendments do not significantly change the scope of work, do not exceed 10% ($80,000) of the original contract amount and do not increase the total contract amount above $880,000.

PASSED AND ADOPTED on this 29th day of August 2023, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting August 29, 2023.

Dated: August 30, 2023
File ID: A 23-349
Agenda Item No.: 18

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

by and between

NATIVIDAD MEDICAL CENTER ("Hospital")

and

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC. ("Contractor")

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PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (this **"Agreement"**) is entered into as of September 1, 2023, by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation (**"Contractor"**). County, Hospital and Contractor are sometimes referred to in this Agreement as a **"Party"** or, collectively, as the **"Parties."**

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California under its acute care license.

C. Contractor is a professional corporation organized under the laws of the State of California (the **"State"**), consisting of qualified physicians (collectively, the **"Group Physicians"** and each, a **"Group Physician"**) and advance practice practitioners (collectively, the **"Group Clinicians"** and each, a **"Group Clinician"**) who are employed or otherwise engaged by Group to provide professional services on Group's behalf (collectively, the **"Group Providers"** and each, a **"Group Provider"**). Each Group Physician is board certified, or is otherwise in compliance with the board certification requirements set forth in the Hospital's medical staff (**"Medical Staff"**) bylaws, for the practice of medicine in the specialty of gastroenterology (the **"Specialty"**) and is a physician duly licensed and qualified to practice medicine in the State of California (the **"State"**). Each Group Clinician is trained and/or experienced in the Specialty, or in another specialty as deemed fit by Hospital, and is otherwise in compliance with the licensure and/or certification requirements set forth in the Hospital's Advanced Practice Professional (**"APP"**) bylaws.

D. Hospital must arrange for the provision of professional consultation and treatment of patients who present to the emergency department (**"ED"**) and/or who are admitted as Hospital inpatients in need of medical care or treatment in the Specialty (collectively, the **"Patients"**), without regard to any consideration other than medical condition.

E. In order to ensure adequate and continued Specialty coverage for the Hospital as required by applicable federal and state laws, Hospital desires to engage a panel of physicians specializing in the Specialty, including Contractor (each, a **"Panel Member"** and, collectively, the **"Panel Members"**), to provide call coverage for the Hospital, upon the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the Parties hereby agree as set forth below.

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AGREEMENT

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I.
CONTRACTOR'S OBLIGATIONS

1.1 Services.

(a) Contractor shall provide the professional services in the Specialty to Patients (**"Professional Services"**), upon the terms and subject to the conditions set forth in this Agreement. Contractor shall ensure that one (1) or more of its Group Physicians shall be available on an on-call basis to provide Specialty medical care and treatment to Patients (**"Coverage Services"**) along with other Panel Members, in a manner that is sufficient to ensure coverage of Hospital in the Specialty twenty-four (24) hours per day, seven (7) days a week, including all holidays, upon the terms and conditions set forth in this Agreement. For the avoidance of doubt, Contractor shall provide Coverage Services with other Panel Members, and nothing in this Agreement or in any other written or oral agreement between Hospital and Contractor contemplates or guarantees any minimum number of Shifts of Coverage Services to be provided by Contractor.

(b) Group Providers shall provide timely initial follow-up care for all Hospital Patients referred for care by the ED or attending physician. If a Group Provider is the physician on-call at the time of the referral, Group Provider shall provide any necessary follow-up care for such Patients regardless of the Patient's ability to pay for services at the time of the first visit.

(c) Commencing on a date requested by the Hospitalist and accepted by Contractor, Contractor provide to Hospital those services set forth in **Exhibit 1.1(c)** (the **"Advanced Practice Professional Services"**), upon the terms and subject to the conditions set forth in this Agreement. Contractor shall ensure that the Advanced Practice Professional Services are performed when from time to time, not to exceed forty (40) hours per week unless Contractor obtains Hospital's prior written consent to increase or decrease such staffing to meet the demands of heavy patient volume beyond the control of either Party.

(d) Group Physicians shall provide supervision of any Group Clinician employed or contracted by Contractor providing Professional Services (the **"Supervision Services"**) in accordance with all applicable laws, rules and regulations, including, without limitation, applicable bylaws, rules and regulations of the Medical Staff and/or Advanced Practice Professional Staff. The staffing pattern may be set and modified from time to time with mutual agreement of Parties to ensure patient safety, quality care, high efficiencies and patient satisfaction.

(e) Contractor shall provide and cause a Group Physicians designated by Contractor and accepted and approved by Hospital, to serve as medical director of the Department (**"Medical Director"**). Medical Director shall perform the duties set forth on **Exhibit 1.1(e)** (the **"Medical Director Services"**) and shall perform all Medical Director Services in accordance with the Hospital Rules and upon the terms and subject to the conditions set forth in this Agreement. Contractor shall cause Medical Director to devote whatever time is

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necessary to effectively provide the Director Services. Medical Director shall allocate time to Director Services when and as needed and as reasonably requested by Hospital from time to time. ."

1.2 Teaching Services. Contractor shall provide to Hospital those teaching services set forth in **Exhibit 1.2** (collectively, the **"Teaching Services"**). Contractor shall not be separately compensated for the provision of Teaching Services under this Agreement.

1.3 Additional Services. Contractor shall provide to Hospital those additional services set forth in **Exhibit 1.3** (the **"Additional Services"**), upon the terms and subject to the conditions set forth in this Agreement. The Coverage Services, Professional Services, Supervision Services, and Additional Services are sometimes referred to collectively in this Agreement as the **"Services**."

1.4 Time Commitment. Contractor shall allocate time among the Professional Services, Teaching Services, Coverage Services, Supervision Services, and Additional Services as reasonably requested by Hospital from time to time.

1.5 Availability. Contractor shall be available to provide the Services on a twenty-four (24) hour per day, seven (7) day per week basis. On or before the first (1st) day of each month, Contractor shall inform Hospital of Group Physician's schedule of availability to perform the Services during the following month. Contractor must provide a minimum availability of seven (7) shifts per month, including weekends, and one (1) minor and one (1) major holiday per year. Contractor shall use his or her best efforts to adjust such schedule of availability if reasonably requested by Hospital in order to meet Hospital's needs for the Services

1.6 Time Reports. Contractor shall maintain and submit to Hospital monthly time sheets that provide a true and accurate accounting of time spent on a daily basis providing the Services. Such time sheets shall be on the then-current form provided by Hospital attached hereto as **Exhibit 1.5**. Contractor shall submit all such time sheets to Hospital no later than the tenth (10th) day of each month for Services provided during the immediately preceding month.

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1.7 Medical Staff.

(a) Each Group Physician shall be a member in good standing and active on the Hospital's Medical Staff and have and maintain all clinical privileges at Hospital necessary for the performance of Group Physician's obligations under this Agreement. If, as of the Effective Date (as defined in Section 5.1), any Group Physician is not a member in good standing or active on the Medical Staff or does not hold all clinical privileges at Hospital necessary for the performance of Group Physician's obligations hereunder, such Group Physician shall have a reasonable amount of time, which in no event shall exceed sixty (60) calendar days from the Effective Date, to obtain such membership and/or clinical privileges; provided, however, that such Group Physician diligently pursues such membership and/or clinical privileges in accordance with the normal procedures set forth in the Medical Staff bylaws; and provided, however, that, at all times, Group Physician has been granted privileges to perform the Services. Any Group Physician may obtain and maintain medical staff privileges at any other hospital or health care facility at Group Physician's sole expense.

(b) If each Group Clinician is required by his or her professional responsibilities to provide clinical services in a hospital setting and to hospital inpatients, Group Clinician shall be a member in good standing in the "active staff" category of the Advanced Practice Professional Staff of such hospital and have an maintain all privileges at such hospital necessary for the performance of Group Clinician's obligations under this Agreement. If Group Clinician is not a member in good standing in the "active staff" category of the Advanced Practice Professional Staff as of the Effective Date, Group Clinician shall have a reasonable amount of time to obtain such membership, provided that Group Clinician diligently pursues such membership in accordance with the normal procedure as set forth in the Advanced Practice Professional Staff bylaws.

1.8 Professional Qualifications. Each Group Physician shall have and maintain an unrestricted license to practice medicine in the State. Each Group Physician shall be board certified in the Specialty by the applicable medical specialty board approved by the American Board of Medical Specialties. Each Group Physician shall have and maintain a valid and unrestricted United States Drug Enforcement Administration (**"DEA"**) registration. Each Group Clinician shall be duly licensed or certified by the applicable State authority, as required to be eligible to perform services in the Specialty.

1.9 Review of Office of the Inspector General ("OIG") Medicare Compliance Bulletins. The OIG from time to time issues Medicare compliance alert bulletins. To the extent applicable to Contractor's performance under this Agreement, Contractor and each Group Provider shall undertake to review, be familiar with and comply with all applicable requirements of such OIG compliance bulletins.

1.10 Performance Standards. Contractor and each Group Provider shall comply with all bylaws, Medical Staff and Advanced Practice Professional Staff policies, rules and regulations of Hospital and the Medical Staff and Advanced Practice Professional Staff (collectively, the **"Hospital Rules"**), and all protocols applicable to the Services or the Hospital (the **"Protocols"**).

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1.11 Code of Conduct. Contractor hereby acknowledges receipt of Hospital's Code of Conduct which is attached to this Agreement as **Exhibit 1.10** (the **"Code"**), and agrees that Contractor and each Group Provider has been given ample opportunity to read, review and understand the Code. With respect to Contractor's and the Group Providers' business dealings with Hospital and their performance of the Services described in this Agreement, neither Contractor nor any Group Provider shall act in any manner which conflicts with or violates the Code, nor cause another person to act in any manner which conflicts with or violates the Code. Contractor and each Group Provider shall comply with the Code as it relates to their business relationship with Hospital or any Affiliate, subsidiaries, employees, agents, servants, officers, directors, contractors and suppliers of every kind.

1.12 Continuing Medical Education. Contractor shall ensure that each Group Provider participates in continuing medical education as necessary to maintain licensure, professional competence and skills commensurate with the standards of the medical community and as otherwise required by the medical profession.

1.13 Notification of Certain Events. Contractor shall notify Hospital in writing within twenty-four (24) hours after the occurrence of any one or more of the following events:

(a) Contractor or any Group Provider becomes the subject of, or materially involved in, any investigation, proceeding, or disciplinary action by: Medicare and Medicaid programs or any other Federal health care program, as defined at 42 U.S.C. Section 1320a-7b(f) (collectively, the **"Federal Health Care Programs"**) or state equivalent, any state's medical board, any agency responsible for professional licensing, standards or behavior, or any medical staff;

(b) the medical staff membership or clinical privileges of any Group Provider at any hospital are denied, suspended, restricted, revoked or voluntarily relinquished, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(c) any Group Provider becomes the subject of any suit, action or other legal proceeding arising out of Contractor's professional services;

(d) any Group Provider voluntarily or involuntarily retires from the practice of medicine;

(e) any Group Provider's license to practice medicine or certification in the State is restricted, suspended or terminated, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(f) Contractor or any Group Provider is charged with or convicted of a criminal offense;

(g) Contractor changes the location of Contractor's office;

(h) any act of nature or any other event occurs which has a material adverse effect on Contractor's or any Group Provider's ability to provide the Services; or

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(i) Contractor or any Group Provider is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent.

1.14 Representations and Warranties by Contractor. Contractor represents and warrants that: (a) no Group Provider's license to practice medicine or certification in any state has ever been suspended, revoked or restricted; (b) neither Contractor nor any Group Provider has ever been reprimanded, sanctioned or disciplined by any licensing board or medical specialty board; (c) neither Contractor nor Group Provider has ever been excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program; (d) no Group Provider has ever been denied membership and/or reappointment to the medical staff of any hospital or health care facility; (e) no Group Provider's medical staff or Advanced Practice Professional staff membership or clinical privileges at any hospital or health care facility have ever been suspended, limited or revoked for a medical disciplinary cause or reason; and (f) no Group Provider has ever been charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime relevant to the provision of medical services or the practice of medicine.

1.15 Nondiscrimination. Neither Contractor nor any Group Provider shall differentiate or discriminate in performing the Services on the basis of race, religion, creed, color, national origin, ancestry, sex, physical disability, mental disability, medical condition, marital status, age, sexual orientation or payor, or on any other basis prohibited by applicable law.

1.16 Non-Exclusive Services. The Services provided by Contractor hereunder are intended to be non-exclusive. Notwithstanding the above, during the term of this Agreement, Contractor shall undertake to retain the service capacity necessary to provide those Services described in this Agreement, to the extent necessary to serve the reasonably foreseeable patient needs for medical care at Hospital and the administrative services hereunder.

1.17 Use of Space. Contractor and each Group Provider shall use Hospital's premises and space solely and exclusively for the provision of the Services, except in an emergency or with Hospital's prior written consent.

1.18 Compliance with Grant Terms. If this Agreement has been or will be funded with monies received by Hospital or County pursuant to a contract with the state or federal government or private entity in which Hospital or County is the grantee, Contractor and Group Provider shall comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, Hospital shall deliver a copy of said contract to Contractor at no cost to Contractor.

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1.19 Coordination with Attending Physicians. Contractor shall ensure that each Group Provider promptly reports the results of all professional services furnished to an ED patient to such patient's attending physician(s) and any other provider(s) engaged in specialty consultation or treatment for such patient.

1.20 Medical Records and Claims.

(a) Contractor shall ensure that each Group Provider prepares complete, timely, accurate and legible medical and other records with respect to the services and treatment furnished to ED patients, in accordance with the Hospital Rules, federal and state laws and regulations, and standards and recommendations of such nationally recognized accrediting organization as Hospital designates from time to time. All such information and records relating to any ED patient shall be: (i) prepared on forms developed, provided or approved by Hospital; (ii) the sole property of Hospital; and (iii) maintained at Hospital in accordance with the terms of this Agreement and for so long as is required by applicable laws and regulations.

(b) Contractor shall maintain and upon request provide to ED patients, Hospital, and state and federal agencies, all financial books and records and medical records and charts as may be necessary for Contractor and/or Hospital to comply with applicable state, federal, and local laws and regulations and with contracts between Hospital and third party payors. Contractor shall cooperate with Hospital in completing such claim forms for ED patients as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors. Contractor shall retain all such records and information for at least ten (10) years following the expiration or termination of this Agreement. This Section 1.19(b) shall survive the expiration or termination of this Agreement.

1.21 Records Available to Contractor. Both during and after the term of this Agreement, Hospital shall permit Contractor and Contractor's agents to inspect and/or duplicate, at Contractor's sole cost and expense, any medical chart and record to the extent necessary to meet Contractor's professional responsibilities to patients, to assist in the defense of any malpractice or similar claim to which such chart or record may be pertinent, and/or to fulfill requirements pursuant to provider contracts to provide patient information; provided, however, such inspection or duplication is permitted and conducted in accordance with applicable legal requirements and pursuant to commonly accepted standards of patient confidentiality. Contractor shall be solely responsible for maintaining patient confidentiality with respect to any information which Contractor obtains pursuant to this Section.

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1.22 Response Times. Contractor shall ensure that each Group Provider responds in person to a request for an emergency evaluation by the attending physician or the ED physician within a response time frame as required by the patient's medical condition and in accordance with Hospital Rules. Contractor shall ensure that each Group Provider responds within forty (40) minutes by phone, if asked to respond by phone, to any request for an ED or patient phone consultation and subsequent follow-up at Hospital.

1.23 Group Providers.

(a) Contractor shall employ, contract with, or otherwise engage Group Providers. Contractor has initially engaged those Group Providers listed (and identified by NPI number) on **Exhibit 1.22(a)** to provide the Services, which Group Providers are hereby approved and accepted by Hospital.

(b) Contractor may from time to time engage one (1) or more additional Group Provider (including locum tenens physicians) to provide the Services under this Agreement, subject to Hospital's prior written approval, which approval may be given, withheld or conditioned by Hospital in its sole discretion. In the event Hospital withholds approval with respect to any additional Group Provider, such Group Provider shall not be entitled to any "fair hearing" or any other hearing or appellate review under any provision of the Medical Staff Bylaws, unless Hospital determines that the withholding of approval is reportable to any state's medical board or other agency responsible for professional licensing, standards or behavior.

(c) Contractor shall ensure that, during the term of this Agreement, any and all Group Providers (including locum tenens physicians) providing the Services satisfy the professional standards and qualifications set forth in this Article I of this Agreement.

(d) Contractor shall provide prompt written notice to Hospital in the event any Group Provider resigns, is terminated by Contractor, or otherwise ceases to provide the Services.

(e) Contractor shall ensure that the Services are performed only by Group Providers who have been approved and accepted by Hospital, and have not been removed in accordance with this Agreement.

(f) Contractor shall cause each Group Provider providing the Services to comply with all obligations, prohibitions, covenants and conditions imposed on Contractor pursuant to this Agreement. Contractor shall cause each Group Provider to execute and deliver to Hospital a letter of acknowledgment in the form attached as **Exhibit 1.22(f)** prior to providing any Services under this Agreement.

ARTICLE II.
COMPENSATION

2.1 Compensation. Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of Eight Hundred Thousand Dollars ($800,000).

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2.2 Billing and Collection. Contractor shall be solely responsible for billing and collecting for all Professional Services rendered to Patients by any Group Provider pursuant to this Agreement (**"Contractor Services"**). Contractor agrees that such collections shall be Contractor's sole compensation for Contractor Services. All billing shall be in compliance with applicable laws, customary professional practice, the Medicare and Medicaid Programs and other third party payor programs, whether public or private.

(a) **Billing Compliance.** Contractor shall comply with all applicable Laws, including those of the Federal Health Care Programs, customary professional practice, and other third party payor programs, whether public or private, in connection with billing and coding for Contractor Services provided pursuant to this Agreement. Contractor shall adopt and maintain billing and coding compliance policies and procedures to ensure Contractor's compliance with applicable Laws, including those of the Federal Health Care Programs. Hospital shall have reasonable access to Contractor's records in order to assure Contractor's compliance with this Agreement.

(b) **Patient Information.** Hospital shall take all necessary and reasonable steps to provide Contractor appropriate patient information to facilitate Contractor's billing for the Contractor Services rendered pursuant to this Agreement.

(c) **Separate Billing.** Neither Contractor nor Hospital shall bill for, guarantee the ability to collect, or have any claim or interest in or to the amounts billed or collected by the other Party. Contractor shall cooperate with Hospital in completing such claim forms for Patients as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors.

(d) **Debt Collection Practices.** Contractor shall comply, and shall ensure that any collection agency engaged by Contractor complies, with the Fair Debt Collection Practices Act (15 U.S.C. 1692, et seq.) and Section 1788, et seq. of the California Civil Code (collectively, the **"Debt Collection Acts"**). Contractor shall not, and shall ensure that any collection agency engaged by Contractor does not, with respect to any Hospital patient who is not enrolled in any HMO, PPO, POS or other third party payor plan or program, or Medicare, Medicaid or any other government funded health care benefit plan or program: (i) use wage garnishments or liens on primary residences as a means of collecting unpaid bills for Contractor Services rendered by Contractor pursuant to this Agreement, or (ii) report adverse information to a consumer credit reporting agency or commence civil action against any such patient for nonpayment at any time prior to one hundred fifty (150) days after initial billing for Contractor Services rendered by Contractor pursuant to this Agreement.

(e) **Collection Agencies.** Hospital shall have the right to object to Contractor's use of any collection agency that engages in conduct that violates the Debt Collection Acts or Section 2.2(d) of this Agreement, or that results in the unreasonable annoyance or harassment of patients. Contractor shall either cure this problem or discharge the collection agency within thirty (30) days following written notice of objection by Hospital. If this problem occurs a second time, Contractor shall discharge the collection agency within thirty (30) days following written notice of objection by Hospital.

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2.3 Third Party Payor Arrangements.

(a) Contractor shall cooperate in all reasonable respects necessary to facilitate Hospital's entry into or maintenance of any third party payor arrangements for the provision of services under Federal Health Care Programs or any other public or private health and/or hospital care programs, including insurance programs, self-funded employer health programs, health care service plans and preferred provider organizations.

(b) To enable Hospital to participate in any third party payor arrangement, Contractor shall, not more than ten (10) business days following Hospital's request:

(i) Initiate enrollment as a provider (if required by the third party payor), separate from Hospital, with any third party payor or intermediate organization (including any independent practice association) (each, a **"Managed Care Organization"**) designated by Hospital for the provision of Professional Services to Hospital patients covered by such Managed Care Organization;

(ii) Complete any documents (e.g., CAQH Universal Provider Datasource form) as may be reasonably necessary or appropriate to effectuate enrollment;

(iii) Enter into a written agreement with such Managed Care Organization as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization; and/or

(iv) Enter into a written agreement with Hospital regarding global billing, capitation or other payment arrangements as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization.

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ARTICLE III.
INSURANCE AND INDEMNITY

3.1 Evidence of Coverage. Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies. This verification of coverage shall be sent to Hospital's Medical Staff Office, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and Hospital has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

3.2 Qualifying Insurers. All coverages except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Hospital's Contracts/Purchasing Director.

3.3 Insurance Coverage Requirements. Without limiting Contractor's or Group Provider's duty to indemnify, Contractor shall maintain in effect throughout the term of this Agreement, at Contractor's sole cost and expense, a policy or policies of insurance with the following minimum limits of liability:

(a) **Professional liability insurance**, covering Contractor and each Group Provider with coverage of not less than One-Million Dollars ($1,000,000) per physician per occurrence and Three-Million Dollars ($3,000,000) per physician in the aggregate; or such other amount(s) of professional liability insurance as may be required by Article 2.2-1 of Hospital's Medical Staff Bylaws from time to time, to cover liability for malpractice and/or errors or omissions made in the course of rendering services under this Agreement. If any professional liability insurance covering Contractor and Group Provider is procured on a "Claims Made" rather than "Occurrence" basis, then Contractor and Group Provider shall either continue such coverage or obtain extended reporting coverage (**"Tail Coverage"**), as appropriate, upon the occurrence of any of the following: (i) termination or expiration of this Agreement; (ii) change of coverage if such change shall result in a gap in coverage; or (iii) amendment, reduction or other material change in the then existing professional liability coverage of Contractor if such amendment, reduction or other material change will result in a gap in coverage. Any Tail Coverage shall have liability limits in the amount set forth above and shall in all events continue in existence until the greater of: (a) three (3) years or (b) the longest statute of limitations for professional and general liability for acts committed has expired. All insurance required by this Agreement shall be with a company acceptable to County and issued and executed by an admitted insurer authorized to transact insurance business in the State.

(b) **Commercial general liability insurance**, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

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☐ Exemption/Modification (Justification attached; subject to approval).

(c) **Business automobile liability insurance**, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

(d) **Workers' Compensation Insurance**, if Contractor employs others in the performance of this Agreement, in accordance with California Labor Code Section 3700 and with Employer's Liability limits not less than One Million Dollars ($1,000,000) each person, One Million Dollars ($1,000,000) each accident and One Million Dollars ($1,000,000) each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

3.4 Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to Hospital and issued and executed by an admitted insurer authorized to transact insurance business in the State. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date Contractor and Group Providers complete their performance of services under this Agreement.

Each liability policy shall provide that Hospital shall be given notice in writing at least thirty (30) days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor, Group Providers, and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance. The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

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Prior to the execution of this Agreement by Hospital, Contractor shall file certificates of insurance with Hospital's Medical Staff Office, showing that the Contractor has in effect the insurance required by this Agreement. The Contractor shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

Contractor and each Group Provider shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Hospital, annual certificates to Hospital's Medical Staff Office. If the certificate is not received by the expiration date, Hospital shall notify Contractor and Contractor shall have five (5) calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by Contractor to maintain such insurance is a default of this Agreement, which entitles Hospital, at its sole discretion, to terminate the Agreement immediately.

3.5 Right to Offset Insurance Costs.

(a) In the event that Contractor does not purchase or otherwise have the liability insurance set forth in this Section at any time during the term of this Agreement, and without limiting any rights or remedies of County, County may at its option and within its sole discretion provide the liability insurance required by this Section and continue to pay the premiums therefor. If Contractor does not promptly reimburse all such amounts, then County shall have the right to withhold and offset the compensation due to Contractor under this Agreement, in addition to such other rights or privileges as County may have at law or in equity.

(b) The County's option to provide such insurance and to offset the compensation otherwise due to the Contractor shall also apply to the "Tail Coverage" referenced in Section 3.3, including for general liability if during the term of the Agreement such coverage has been written on a claims made basis, which is required to remain effective after the expiration or termination of this Agreement for any reason.

3.6 Indemnification.

(a) **Indemnification by Contractor.** Contractor and each Group Provider shall indemnify, defend, and hold harmless County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with Contractor's or Group Providers' performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County. "Contractor's performance" includes Contractor's and Group Providers' acts or omissions and the acts or omissions of Contractor's officers, employees, agents and subcontractors.

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(b) **Indemnification by County.** County agrees to defend, indemnify, and hold harmless Contractor and Group Providers, to the extent permitted by applicable law, from and against any and all claims and losses whatsoever accruing or resulting to any person, firm or corporation for damages, injury or death arising out of or connected with any negligent act or omission or willful misconduct of County or any of its agents or employees.

3.7 Indemnification for Timely Payment of Tax Contributions. It is expressly agreed by the Parties hereto that no work, act, commission or omission of Contractor or any Group Provider shall be construed to make or render Contractor or any Group Provider the agent, employee or servant of County. Contractor and each Group Provider agrees to indemnify, defend and hold harmless County and Hospital from and against any and all liability, loss, costs or obligations (including, without limitation, interest, penalties and attorney's fees in defending against the same) against County or Hospital based upon any claim that Contractor has failed to make proper and timely payment of any required tax contributions for itself, its employees, or its purported agents or independent contractors.

3.8 Hospital Services. Hospital shall retain professional and administrative responsibility for the operation of the Hospital, as and to the extent required by Title 22, California Code of Regulations, Section 70713. Hospital's retention of such responsibility is not intended and shall not be construed to diminish, limit, alter or otherwise modify in any way the obligations of Contractor under this Agreement, including, without limitation, the obligations under the insurance and indemnification provisions set forth in this Article III.

3.9 Survival of Obligations. The Parties' obligations under this Article III shall survive the expiration or termination of this Agreement for any reason.

ARTICLE IV.
RELATIONSHIP BETWEEN THE PARTIES

4.1 Independent Contractor.

(a) Contractor and each Group Provider is and shall at all times be an independent contractor with respect to Hospital in the performance of Contractor's and Group Provider's obligations under this Agreement. Nothing in this Agreement shall be construed to create an employer/employee, joint venture, partnership, lease or landlord/tenant relationship between Hospital and Contractor or Hospital and any Group Provider. No Group Provider shall hold himself or herself out as an officer, agent or employee of Hospital, and shall not incur any contractual or financial obligation on behalf of Hospital without Hospital's prior written consent.

(b) If the Internal Revenue Service (**"IRS"**) or any other governmental agency should inquire about, question or challenge the independent contractor status of Contractor or any Group Provider with respect to County, the Parties hereto mutually agree that: (i) each shall inform the other Party hereto of such inquiry or challenge; and (ii) County and Contractor shall each have the right to participate in any discussion or negotiation occurring with the taxing agency, regardless of who initiated such discussions or negotiations. In the event the taxing agency concludes that an independent contractor relationship does not exist, County may terminate this Agreement effective immediately upon written notice. In the event of such

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termination, the Parties remain free to negotiate an employer/employee contract with any Group Provider.

4.2 Limitation on Control. Hospital shall neither have nor exercise any control or direction over Contractor's or any Group Provider's professional medical judgment or the methods by which Contractor or any Group Provider performs professional medical services; provided, however, that Contractor and Group Providers shall be subject to and shall at all times comply with the Protocols and the bylaws, guidelines, policies and rules applicable to other members of the Medical Staff or Advanced Practice Professional Staff.

4.3 Practice of Medicine. Contractor and Hospital acknowledge that Hospital is neither authorized nor qualified to engage in any activity which may be construed or deemed to constitute the practice of medicine. To the extent that any act or service required of, or reserved to, Hospital in this Agreement is construed or deemed to constitute the practice of medicine, the performance of such act or service by Hospital shall be deemed waived or unenforceable, unless this Agreement can be amended to comply with the law, in which case the Parties shall make such amendment.

4.4 No Benefit Contributions. Hospital shall have no obligation under this Agreement to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor. Notwithstanding the foregoing, if Hospital determines or is advised that it is required by law to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor, Contractor shall reimburse Hospital for any such expenditure within thirty (30) calendar days after being notified of such expenditure.

4.5 Referrals. Contractor and the Group Providers shall be entitled to refer patients to any hospital or other health care facility or provider deemed by Contractor or the Group Providers best qualified to deliver medical services to any particular patient; provided; however, that neither Contractor nor any Group Provider shall refer any Hospital patient to any provider or health care services which either Contractor or any Group Provider knows or should have known is excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program or state equivalent. Nothing in this Agreement or in any other written or oral agreement between Hospital and Contractor or Hospital and the Group Providers, nor any consideration offered or paid in connection with this Agreement, contemplates or requires the admission or referral of any patients or business to Hospital or any Affiliate. In the event that any governmental agency, any court or any other judicial body of competent jurisdiction, as applicable, issues an opinion, ruling or decision that any payment, fee or consideration provided for hereunder is made or given in return for patient referrals, either Party may at its option terminate this Agreement with three (3) days notice to the other Party. Contractor's rights under this Agreement shall not be dependent in any way on the referral of patients or business to Hospital or any Affiliate by Contractor, Group Provider or any person employed or retained by Contractor.

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4.6 Form 1099 or W-2. If required to do so under applicable law, Hospital shall issue an Internal Revenue Service Form 1099 or Form W-2 to Contractor.

4.7 Contractor Compensation Arrangements. Contractor represents and warrants to Hospital that the compensation paid or to be paid by Contractor to any physician is and will at all times be fair market value for services and items actually provided by such physician, not taking into account the value or volume of referrals or other business generated by such physician for Hospital or any Affiliate. Contractor further represents and warrants to Hospital that Contractor has and will at all times maintain a written agreement with each physician receiving compensation from Contractor.

4.8 Cooperation.

(a) The Parties recognize that, during the term of this Agreement and for an undetermined time period thereafter, certain risk management issues, legal issues, claims or actions may arise that involve or could potentially involve the Parties and their respective employees and agents. The Parties further recognize the importance of cooperating with each other in good faith when such issues, claims or actions arise, to the extent such cooperation does not violate any applicable laws, cause the breach of any duties created by any policies of insurance or programs of self-insurance, or otherwise compromise the confidentiality of communications or information regarding the issues, claims or actions. As such, the Parties hereby agree to cooperate in good faith, using their best efforts, to address such risk management and legal issues, claims, or actions.

(b) The Parties further agree that if a controversy, dispute, claim, action or lawsuit (each, an **"Action"**) arises with a third party wherein both the Parties are included as defendants, each Party shall promptly disclose to the other Party in writing the existence and continuing status of the Action and any negotiations relating thereto. Each Party shall make every reasonable attempt to include the other Party in any settlement offer or negotiations. In the event the other Party is not included in the settlement, the settling Party shall immediately disclose to the other Party in writing the acceptance of any settlement and terms relating thereto, if allowed by the settlement agreement.

(c) Contractor shall cooperate with the individual designated by Hospital to have principal responsibility for the administration and operation of the Hospital. Such cooperation shall include supervision, selection, assignment, and evaluation of personnel; management and direction of equipment maintenance; development of budgets; and oversight of the acquisition of materials, supplies, and equipment.

(d) Contractor shall assist Hospital, as reasonably requested by Hospital, in Hospital's compliance with applicable laws and the standards, requirements, guidelines and recommendations of any governing or advisory body having authority to set standards relating to the operation of Hospital, or any nationally recognized accrediting organization that Hospital designates from time to time.

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4.9 Contractor's Performance. County or Hospital, at its option and within its sole discretion, may seek evaluation of contractual performance by requesting input from Hospital's Medical Director/Chief Medical Officer and from other professionals within Hospital.

4.10 Right of Inspection. Upon reasonable prior written notice, Hospital and County officials and their designees may inspect the books and records of Contractor which are necessary to determine that work performed by Contractor or any Group Provider to patients hereunder is in accord with the requirements of this Agreement. Such inspection shall be made in a manner so as not to disrupt the operations of Hospital or Contractor.

4.11 Access to and Audit of Records. Hospital shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the Contractor and its subcontractors related to services provided under this Agreement. Pursuant to Government Code Section 8546.7, if this Agreement involves the expenditure of public funds in excess of Ten Thousand Dollars ($10,000), the Parties may be subject, at the request of Hospital or as part of any audit of Hospital, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three (3) years after final payment under the Agreement.

ARTICLE V.
TERM AND TERMINATION

5.1 Term. This Agreement shall become effective on September 1, 2023 (the **"Effective Date"**), and shall continue until September 30, 2025 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.

5.2 Termination by Hospital. Hospital shall have the right to terminate this Agreement upon the occurrence of any one or more of the following events:

(a) breach of this Agreement by Contractor or any Group Provider where the breach is not cured within thirty (30) calendar days after Hospital gives written notice of the breach to Contractor;

(b) neglect of professional duty by Contractor or any Group Provider in a manner that poses an imminent danger to the health or safety of any individual, or violates Hospital's policies, rules or regulations;

(c) there is a "substantial change" in Contractor which has not received prior written approval or subsequent ratification by Hospital. The retirement, withdrawal, termination, or suspension of one (1) or more Group Physicians of Contractor at any time during the term of this Agreement shall be considered to be a "substantial change" in Contractor only if there is a reduction in hours equivalent to in excess of one full-time Group Physician. Notwithstanding anything in the foregoing to the contrary, the retirement, withdrawal, termination, or suspension of any single Group Physician of Contractor shall not constitute a "substantial change" in Contractor as that term is used herein;

(d) breach by Contractor or any Group Provider of any HIPAA Obligation (as defined in **Exhibit 6.3**);

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(e) Contractor makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law of any jurisdiction;

(f) the insurance required to be maintained by Contractor under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or Contractor) for any reason, and Contractor has not obtained replacement coverage as required by this Agreement prior to the effective date of such termination, reduction, non-renewal or cancellation;

(g) Contractor is rendered unable to comply with the terms of this Agreement for any reason; or

(h) upon a sale of all or substantially all assets comprising Hospital's acute care hospital facility, any change of control in Hospital's organization, or any change in control of its day to day operations, whether through a membership change or by management contract. Hospital shall notify Contractor in writing of such sale or change of control at least thirty (30) days prior to the closing date of any such sale or the effective date of any such change of control.

5.3 Termination by Contractor. Contractor shall have the right to terminate this Agreement upon breach of this Agreement by Hospital where the breach is not cured within thirty (30) calendar days after Contractor gives written notice of the breach to Hospital.

5.4 Termination or Modification in the Event of Government Action.

(a) If the Parties receive notice of any Government Action, the Parties shall attempt to amend this Agreement in order to comply with the Government Action.

(b) If the Parties, acting in good faith, are unable to make the amendments necessary to comply with the Government Action, or, alternatively, if either Party determines in good faith that compliance with the Government Action is impossible or infeasible, this Agreement shall terminate ten (10) calendar days after one Party notices the other of such fact.

(c) For the purposes of this Section, **"Government Action"** shall mean any legislation, regulation, rule or procedure passed, adopted or implemented by any federal, state or local government or legislative body or any private agency, or any notice of a decision, finding, interpretation or action by any governmental or private agency, court or other third party which, in the opinion of counsel to Hospital, because of the arrangement between the Parties pursuant to this Agreement, if or when implemented, would:

(i) revoke or jeopardize the status of any health facility license granted to Hospital or any Affiliate of Hospital;

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(ii) revoke or jeopardize the federal, state or local tax-exempt status of Hospital or any Affiliate of Hospital, or their respective tax-exempt financial obligations;

(iii) prevent Contractor or any Group Provider from being able to access and use the facilities of Hospital or any Affiliate of Hospital;

(iv) constitute a violation of 42 U.S.C. Section 1395nn (commonly referred to as the Stark law) if Contractor or any Group Provider referred patients to Hospital or any Affiliate of Hospital;

(v) prohibit Hospital or any Affiliate of Hospital from billing for services provided to patients referred to by Contractor or any Group Provider;

(vi) subject Hospital or Contractor, any Group Provider, or any Affiliate of Hospital, or any of their respective employees or agents, to civil or criminal prosecution (including any excise tax penalty under Internal Revenue Code Section 4958), on the basis of their participation in executing this Agreement or performing their respective obligations under this Agreement; or

(vii) jeopardize Hospital's full accreditation with any accrediting organization as Hospital designates from time to time.

(d) For the purposes of this Agreement, **"Affiliate"** shall mean any entity which, directly or indirectly, controls, is controlled by, or is under common control with Hospital.

5.5 Termination without Cause. Either Party may terminate this Agreement without cause, expense or penalty, effective sixty (60) calendar days after written notice of termination is given to the other Party.

5.6 Effect of Termination or Expiration. Upon any termination or expiration of this Agreement:

(a) all rights and obligations of the Parties shall cease except: (i) those rights and obligations that have accrued and remain unsatisfied prior to the termination or expiration of this Agreement; (ii) those rights and obligations which expressly survive termination or expiration of this Agreement; and (iii) Contractor's obligation to continue to provide services to Hospital patients under Contractor's and Group Providers' care at the time of expiration or termination of this Agreement, until the patient's course of treatment is completed or the patient is transferred to the care of another physician;

(b) upon Hospital's request, Contractor and any Group Provider shall immediately vacate the premises, removing any and all of Contractor's and Group Providers' personal property, and Hospital may remove and store, at Contractor's expense, any personal property that either Contractor or any Group Provider has not so removed;

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(c) Contractor and Group Providers shall immediately return to Hospital all of Hospital's property, including Hospital's equipment, supplies, furniture, furnishings and patient records, in Contractor's or Group Providers' possession or under Contractor's or Group Providers' control;

(d) Contractor and Group Providers shall not do anything or cause any other person to do anything that interferes with Hospital's efforts to engage any other person or entity for the provision of the Services, or interferes in any way with any relationship between Hospital and any other person or entity who may be engaged to provide the Services to Hospital;

(e) The expiration or termination of this Agreement shall not entitle Contractor or Group Providers to the right to a "fair hearing" or any other similar rights or procedures more particularly set forth in the Medical Staff bylaws or otherwise; and

(f) This Section 5.6 shall survive the expiration or termination for any reason of this Agreement.

5.7 Immediate Removal of Group Providers. Contractor shall immediately remove any Group Provider from furnishing Services under this Agreement who:

(a) has his or her Medical Staff membership or clinical privileges at Hospital terminated, suspended, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(b) has his or her license to practice medicine in the State, DEA registration denied, suspended, restricted, terminated, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(c) is convicted of a felony, a misdemeanor involving fraud, dishonesty, or moral turpitude, or any crime relevant to Professional Services or the practice of medicine;

(d) is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent;

(e) fails to satisfy any of the standards and qualifications set forth in Sections 1.6, 1.7, 1.9 and 1.11 of this Agreement; or

(f) fails to be covered by the professional liability insurance required to be maintained under this Agreement.

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5.8 Removal of Group Providers upon Hospital Request. Upon written request by Hospital, Contractor shall immediately remove any Group Provider from furnishing Services under this Agreement who:

(a) engages in conduct that, in Hospital's good faith determination, jeopardizes the mental or physical health, safety or well-being of any person or damages the reputation of Hospital;

(b) fails to comply with any other material terms or conditions of this Agreement after being given written notice of that failure and a reasonable opportunity to comply;

(c) is unable to perform services as required under this Agreement for more than thirty (30) days in the aggregate over any three (3) month period; or

(d) within a twelve (12) month period, has two (2) or more medical malpractice judgments filed against him or her, or he or she becomes the subject of two (2) or more proceedings by the Medical Staff regarding the performance of professional medical services.

5.9 Effect of Removal. Upon the removal of a Group Provider pursuant to Section 5.7 or Section 5.8 of this Agreement, Contractor shall employ, contract with, or otherwise engage, at its cost and expense, a qualified substitute for the removed Group Provider, or shall demonstrate to Hospital's satisfaction Contractor's ability to continuously perform the Services without such a substitute. Failure to take such action shall constitute a material breach of this Agreement, subject to Section 5.2. Nothing herein shall be construed to limit Hospital's rights under Section 5.2 or any other provision of this Agreement.

5.10 Return of Property. Upon any termination or expiration of this Agreement, Contractor shall immediately return to Hospital all of Hospital's property, including Hospital's equipment, supplies, furniture, furnishings and patient records, which is in Contractor's or any Group Provider's possession or under Contractor's or any Group Provider's control.

5.11 Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the County for services that are to be provided under this Agreement, County, in its sole and absolute discretion after consultation with the Contractor, may elect to terminate this Agreement by giving written notice of termination to Contractor effective immediately or on such other date as County specifies in the notice. Alternatively, County and Contractor may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

ARTICLE VI.
GENERAL PROVISIONS

6.1 Amendment. This Agreement may be modified or amended only by mutual written agreement of the Parties. Any such modification or amendment must be in writing, dated and signed by the Parties and attached to this Agreement.

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6.2 Assignment. This Agreement is entered into by Hospital in reliance on the professional and administrative skills of Contractor. Contractor shall be solely responsible for providing the Services and otherwise fulfilling the terms of this Agreement, except as specifically set forth in this Agreement. Except for assignment by Hospital to an entity owned, controlled by, or under common control with Hospital, neither Party may assign any interest or obligation under this Agreement without the other Party's prior written consent. Subject to the foregoing, this Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns.

6.3 Compliance with HIPAA. Contractor and Group Providers shall comply with the obligations under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.), as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, and all rules and regulations promulgated thereunder (collectively, **"HIPAA,"** the obligations collectively referred to herein as **"HIPAA Obligations"**), as set forth in **Exhibit 6.3**. The HIPAA Obligations shall survive the expiration or termination of this Agreement for any reason.

6.4 Compliance with Laws and Accreditation. Contractor and Group Providers shall comply with all applicable laws, ordinances, codes and regulations of federal, state and local governments (collectively, **"Laws"**) applicable to Contractor and Group Providers, the provision of the Services, or the obligations of Contractor and Group Providers under this Agreement, including without limitation laws that require Contractor or any Group Provider to disclose any economic interest or relationship with Hospital, the Emergency Medical Treatment and Active Labor Act and the rules and regulations thereunder (**"EMTALA"**), and California Health and Safety Code Section 1317 and the rules and regulations thereunder (**"Health and Safety Code §1317"**). Contractor shall perform and handle all patient transfers and reports in accordance with applicable Laws, including EMTALA, and Health and Safety Code §1317. Contractor and Group Providers shall take actions necessary to ensure that the Hospital is operated in accordance with: all requirements of a nationally recognized accrediting organization that Hospital designates from time to time, all applicable licensing requirements, and all other relevant requirements promulgated by any federal, state or local agency.

6.5 Compliance with Medicare Rules. To the extent required by law or regulation, Contractor shall make available, upon written request from Hospital, the Secretary of Health and Human Services, the Comptroller General of the United States, or any duly authorized agent or representative, a copy of this Agreement and Contractor's books, documents and records. Contractor shall preserve and make available such books, documents and records for a period of ten (10) years after the end of the term of this Agreement, or the length of time required by state or federal law. If Contractor is requested to disclose books, documents or records pursuant to this Section for any purpose, Contractor shall notify Hospital of the nature and scope of such request, and Contractor shall make available, upon written request of Hospital, all such books, documents or records. Contractor shall indemnify and hold harmless Hospital if any amount of reimbursement is denied or disallowed because of Contractor's failure to comply with the obligations set forth in this Section. Such indemnity shall include, but not be limited to, the amount of reimbursement denied, plus any interest, penalties and legal costs. This Section shall survive the expiration or termination for any reason of this Agreement.

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If Contractor carries out any of the duties of the contract through a subcontract, with a value or cost of Ten Thousand Dollars ($10,000) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such Services pursuant to such subcontract, the related organization shall make available, upon written request by the Secretary, or upon request by the Comptroller General, or any of their duly authorized representatives, the subcontract and books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

6.6 Confidential Information.

(a) During the term of this Agreement, Contractor and Group Providers may have access to and become acquainted with Trade Secrets and Confidential Information of Hospital. **"Trade Secrets"** includes information and data relating to payor contracts and accounts, clients, patients, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data. **"Confidential Information"** includes Trade Secrets and any information related to the past, current or proposed operations, business or strategic plans, financial statements or reports, technology or services of Hospital or any Affiliate that Hospital discloses or otherwise makes available in any manner to Contractor or Group Providers, or to which Contractor or Group Providers may gain access in the performance of the Services under this Agreement, or which Contractor or any Group Provider knows or has reason to know is confidential information of Hospital or any Affiliate; whether such information is disclosed orally, visually or in writing, and whether or not bearing any legend or marking indicating that such information or data is confidential. By way of example, but not limitation, Confidential Information includes any and all know-how, processes, manuals, confidential reports, procedures and methods of Hospital, any Hospital patient's individually identifiable health information (as defined under HIPAA), and any information, records and proceedings of Hospital and/or Medical Staff committees, peer review bodies, quality committees and other committees or bodies charged with the evaluation and improvement of the quality of care. Confidential Information also includes proprietary or confidential information of any third party that may be in Hospital's or any Affiliate's possession.

(b) Confidential Information shall be and remain the sole property of Hospital, and shall, as applicable, be proprietary information protected under the Uniform Trade Secrets Act. Neither Contractor nor any Group Provider shall use any Confidential Information for any purpose not expressly permitted by this Agreement, or disclose any Confidential Information to any person or entity, without the prior written consent of Hospital. Contractor and Group Providers shall protect the Confidential Information from unauthorized use, access, or disclosure in the same manner as Contractor and any Group Provider protects his, her, or its own confidential or proprietary information of a similar nature and with no less than reasonable care. All documents that Contractor and Group Providers prepare, or Confidential Information that might be given to Contractor in the course of providing Services under this Agreement, are the exclusive property of Hospital, and, without the prior written consent of Hospital, shall not be removed from Hospital's premises.

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(c) Contractor and Group Providers shall return to Hospital all Confidential Information and all copies thereof in Contractor's and Group Providers' possession or control, and permanently erase all electronic copies of such Confidential Information, promptly upon the written request of Hospital, or the termination or expiration of this Agreement. Neither Contractor nor any Group Provider shall copy, duplicate or reproduce any Confidential Information without the prior written consent of Hospital.

(d) This Section shall survive the expiration or termination of this Agreement.

6.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6.8 Disclosure of Interests. Contractor or any Group Provider shall provide to Hospital, as requested by Hospital from time to time, information sufficient to disclose any ownership, investment or compensation interest or arrangement of Contractor, or any of Contractor's or any Group Provider's immediate family members, in any entity providing "designated health services" (as such term is defined in the Stark Law (42 U.S.C. Section 1395nn) and its regulations) or any other health care services. This Section shall not impose on Hospital any disclosure or reporting requirements or obligations imposed on Contractor or any Group Provider under any governmental program or create an assumption of such disclosure obligations by Hospital. Contractor and Group Providers shall have the sole responsibility to fulfill any such federal and/or state reporting requirements or obligations.

6.9 Dispute Resolution. In the event of any dispute, controversy, claim or disagreement arising out of or related to this Agreement or the acts or omissions of the Parties with respect to this Agreement (each, a **"Dispute"**), the Parties shall resolve such Dispute as follows:

(a) **Meet and Confer.** The Parties shall, as soon as reasonably practicable, but in no case more than ten (10) days after one Party gives written notice of a Dispute to the other Party (the **"Dispute Notice"**), meet and confer in good faith regarding such Dispute at such time and place as mutually agreed upon by the Parties (the **"Meet and Confer"**). The obligation to conduct a Meet and Confer pursuant to this Section does not obligate either Party to agree to any compromise or resolution of the Dispute that such Party does not determine, in its sole and absolute discretion, to be a satisfactory resolution of the Dispute. The Meet and Confer shall be considered a settlement negotiation for the purpose of all applicable Laws protecting statements, disclosures or conduct in such context, and any offer in compromise or other statements or conduct made at or in connection with any Meet and Confer shall be protected under such Laws.

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(b) **Arbitration.** If any Dispute is not resolved to the mutual satisfaction of the Parties within ten (10) business days after delivery of the Dispute Notice (or such other period as may be mutually agreed upon by the Parties in writing), the Parties shall submit such Dispute to arbitration conducted by Judicial Arbitration and Mediation Services, Inc. (**"JAMS"**), or other arbitration and/or mediation services company as agreed to by the Parties, in accordance with the following rules and procedures:

(i) Each Party may commence arbitration by giving written notice to the other Party demanding arbitration (the **"Arbitration Notice"**). The Arbitration Notice shall specify the Dispute, the particular claims and/or causes of actions alleged by the Party demanding arbitration, and the factual and legal basis in support of such claims and/or causes of action.

(ii) The arbitration shall be conducted in the County in which the Hospital is located and in accordance with the commercial arbitration rules and procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) to the extent such rules and procedures are not inconsistent with the provisions set forth in this Section. In the event of a conflict between any rules and/or procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) and the rules and/or procedures set forth in this Section, the rules and/or procedures set forth in this Section shall govern.

(iii) The arbitration shall be conducted before a single impartial retired member of the JAMS panel of arbitrators (or panel of arbitrators from such other arbitration company as mutually agreed to by the Parties) covering the County in which the Hospital is located (the **"Panel"**). The Parties shall use their good faith efforts to agree upon a mutually acceptable arbitrator within thirty (30) days after delivery of the Arbitration Notice. If the Parties are unable to agree upon a mutually acceptable arbitrator within such time period, then each Party shall select one arbitrator from the Panel, and those arbitrators shall select a single impartial arbitrator from the Panel to serve as arbitrator of the Dispute.

(iv) The Parties expressly waive any right to any and all discovery in connection with the arbitration; provided, however, that each Party shall have the right to conduct no more than two (2) depositions and submit one set of interrogatories with a maximum of forty (40) questions, including subparts of such questions.

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(v) The arbitration hearing shall commence within thirty (30) days after appointment of the arbitrator. The substantive internal law (and not the conflict of laws) of the State shall be applied by the arbitrator to the resolution of the Dispute, and the Evidence Code of the State shall apply to all testimony and documents submitted to the arbitrator. The arbitrator shall have no authority to amend or modify the limitation on the discovery rights of the Parties or any of the other rules and/or procedures set forth in this Section. As soon as reasonably practicable, but not later than thirty (30) days after the arbitration hearing is completed, the arbitrator shall arrive at a final decision, which shall be reduced to writing, signed by the arbitrator and mailed to each of the Parties and their respective legal counsel.

(vi) Any Party may apply to a court of competent jurisdiction for entry and enforcement of judgment based on the arbitration award. The award of the arbitrator shall be final and binding upon the Parties without appeal or review except as permitted by the Arbitration Act of the State.

(vii) The fees and costs of JAMS (or other arbitration company as mutually agreed to by the Parties) and the arbitrator, including any costs and expenses incurred by the arbitrator in connection with the arbitration, shall be borne equally by the Parties, unless otherwise agreed to by the Parties.

(viii) Except as set forth in Section 6.9(b)(vii), each Party shall be responsible for the costs and expenses incurred by such Party in connection with the arbitration, including its own attorneys' fees and costs; provided, however, that the arbitrator shall require one Party to pay the costs and expenses of the prevailing Party, including attorneys' fees and costs and the fees and costs of experts and consultants, incurred in connection with the arbitration if the arbitrator determines that the claims and/or position of a Party were frivolous and without reasonable foundation.

(c) **Waiver of Injunctive or Similar Relief.** The Parties hereby waive the right to seek specific performance or any other form of injunctive or equitable relief or remedy arising out of any Dispute, except that such remedies may be utilized for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Except as expressly provided herein, upon any determination by a court or by an arbitrator that a Party has breached this Agreement or improperly terminated this Agreement, the other Party shall accept monetary damages, if any, as full and complete relief and remedy, to the exclusion of specific performance or any other form of injunctive or equitable relief or remedy.

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(d) **Injunctive or Similar Relief.** Notwithstanding anything to the contrary in this Section, the Parties reserve the right to seek specific performance or any other form of injunctive relief or remedy in any state or federal court located within the County in which the Hospital is located for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Contractor hereby consents to the jurisdiction of any such court and to venue therein, waives any and all rights under the Laws of any other state to object to jurisdiction within the State, and consents to the service of process in any such action or proceeding, in addition to any other manner permitted by applicable Law, by compliance with the notices provision of this Agreement. The non-prevailing Party in any such action or proceeding shall pay to the prevailing Party reasonable fees and costs incurred in such action or proceeding, including attorneys' fees and costs and the fees and costs of experts and consultants. The prevailing Party shall be the Party who is entitled to recover its costs of suit (as determined by the court of competent jurisdiction), whether or not the action or proceeding proceeds to final judgment or award.

(e) **Survival.** This Section shall survive the expiration or termination of this Agreement.

6.10 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties, including, without limitation, the Prior Agreement. No other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

6.11 Exhibits. The attached exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

6.12 Force Majeure. Neither Party shall be liable for nonperformance or defective or late performance of any of its obligations under this Agreement to the extent and for such periods of time as such nonperformance, defective performance or late performance is due to reasons outside such Party's control, including acts of God, war (declared or undeclared), terrorism, action of any governmental authority, civil disturbances, riots, revolutions, vandalism, accidents, fire, floods, explosions, sabotage, nuclear incidents, lightning, weather, earthquakes, storms, sinkholes, epidemics, failure of transportation infrastructure, disruption of public utilities, supply chain interruptions, information systems interruptions or failures, breakdown of machinery or strikes (or similar nonperformance, defective performance or late performance of employees, suppliers or subcontractors); provided, however, that in any such event, each Party shall use its good faith efforts to perform its duties and obligations under this Agreement.

6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State.

6.14 Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

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6.15 Litigation Consultation. Contractor shall ensure that no Group Provider accepts consulting assignments or otherwise contract, agree, or enter into any arrangement to provide expert testimony or evaluation on behalf of a plaintiff in connection with any claim against Hospital or any Affiliate named, or expected to be named as a defendant. Contractor shall ensure that no Group Provider accepts similar consulting assignments if (a) the defendants or anticipated defendants include a member of the medical staff of Hospital or any Affiliate, and (b) the matter relates to events that occurred at Hospital or any Affiliate; provided, however, the provisions of this Section shall not apply to situations in which a Group Provider served as a treating physician.

6.16 Master List. The Parties acknowledge and agree that this Agreement, together with any other contracts between Hospital and Contractor, will be included on the master list of physician contracts maintained by Hospital.

6.17 Meaning of Certain Words. Wherever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine, or neuter forms, and the singular form of nouns shall include the plural and vice versa. Unless otherwise specified: (i) "days" shall be considered "calendar days;" (ii) "months" shall be considered "calendar months;" and (iii) "including" means "including, without limitation" in this Agreement and its exhibits and attachments.

6.18 New Group Providers. Each new Group Provider shall agree in writing to be bound by the terms of and conditions of this Agreement.

6.19 No Conflicting Obligations. Contractor represents and warrants that the execution and delivery of this Agreement and the performance of its obligations hereunder do not and will not: (a) present a conflict of interest or materially interfere with the performance of Contractor's duties under any other agreement or arrangement; or (b) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice and/or lapse of time, would constitute a default) under, terminate, accelerate the performance required by, or result in a right of termination or acceleration under any of the terms, conditions or provisions of any other agreement, indebtedness, note, bond, indenture, security or pledge agreement, license, franchise, permit, or other instrument or obligation to which Contractor is a party or by which Contractor is bound. Contractor shall immediately inform Hospital of any other agreements to which Contractor is a party that may present a conflict of interest or materially interfere with performance of Contractor's or Group Providers' duties under this Agreement.

6.20 No Third Party Beneficiary Rights. The Parties do not intend to confer and this Agreement shall not be construed to confer any rights or benefits to any person, firm, group, corporation or entity other than the Parties.

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6.21 Notices. All notices or communications required or permitted under this Agreement shall be given in writing and delivered personally or sent by United States registered or certified mail with postage prepaid and return receipt requested or by overnight delivery service (e.g., Federal Express, DHL). Notice shall be deemed given when sent, if sent as specified in this Section, or otherwise deemed given when received. In each case, notice shall be delivered or sent to:

If to Hospital, addressed to:

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906
Attention: Chief Medical Officer

If to Contractor, addressed to:

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC.
23 Upper Ragsdale Drive
Monterey, CA 93940

6.22 Participation in Federal Health Care Programs. Contractor hereby represents that neither it nor any Group Provider is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program.

6.23 Representations. Each Party represents with respect to itself that: (a) no representation or promise not expressly contained in this Agreement has been made by any other Party or by any Parties' agents, employees, representatives or attorneys; (b) this Agreement is not being entered into on the basis of, or in reliance on, any promise or representation, expressed or implied, other than such as are set forth expressly in this Agreement; and (c) Party has been represented by legal counsel of Party's own choice or has elected not to be represented by legal counsel in this matter.

6.24 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

6.25 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

6.26 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

[*signature page follows*]

The Parties have executed this Agreement on the date first above written, and signify their agreement with duly authorized signatures.

CONTRACTOR

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation

DocuSigned by:
By: _____ Date: 8/16/2023 | 1:05 PM PDT
B974AA244988425...
Its Medical director

DocuSigned by:
By: _____ Date: 8/16/2023 | 1:05 PM PDT
B974AA244988425...
Its Medical director

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles Harris
_____ Date: 8/31/2023 | 5:04 PM PDT
4E1F837D204E481...
Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
_____ Date: 8/16/2023 | 6:51 PM PDT
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
_____ Date: 8/17/2023 | 12:58 PM PDT
E79EF64E57454F6...
Deputy Auditor/Controller

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Exhibit 1.1(d)

ADVANCED PRACTICE PROFESSIONAL SERVICES

Under the direction of the Supervising Physician, the Advanced Practice Professional ("APP") shall:

Be available to round on inpatients;

Take medical histories and conduct physical exams;

Assist with medical procedures in the operating room;

Assist with necessary follow-up in the outpatient clinic;

Collaborate with physicians and other healthcare providers to develop treatment plans;

Communicate with patients, families and healthcare providers;

Document patient care in medical record in a timely manner.

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Exhibit 1.1(d)

MEDICAL DIRECTOR SERVICES

Subject to the terms of the Agreement, Contractor shall ensure that the Medical Director:

1. provides general administration of the day-to-day operations of the Department;
2. advises and assists in the development of protocols and policies for the Department;
3. ensures physician coverage of the Department;
4. schedules, coordinates and supervises the provision of medical and ancillary services within the Department;
5. ensures the maintenance of consistently high quality service, and advise Hospital in the development and implementation of an appropriate quality assurance program with respect to the Department;
6. coordinates and consults with Hospital and Medical Staff regarding the efficiency and effectiveness of the Department, and makes recommendations and analyses as needed for Hospital to improve services provided in the Department and reduce costs;
7. develops, reviews, and provides training programs for Medical Staff and Hospital personnel;
8. prepares such reports and records as may be required by this Agreement, Hospital or the Medical Staff;
9. participates in Hospital and Medical Staff committees upon request by Hospital;
10. participates in continuing medical education, research and teaching activities upon request by Hospital;
11. participates in utilization review programs, as reasonably requested by Hospital;
12. participates in risk management and quality assurance programs, as reasonably requested by Hospital; and
13. assists Hospital management with preparation for, and conduct of, any inspections and on-site surveys of Hospital or the Department conducted by governmental agencies, accrediting organizations, or payors contracting with Hospital.

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Exhibit 1.2

TEACHING SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. supervise patient care in a constructive and supportive way;

2. demonstrate effective interviewing, physical examination, procedures, use of diagnostic and therapeutic interventions, and medical records documentation;

3. create a professional role model; and

4. evaluate resident performance in a meaningful, objective fashion.

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Exhibit 1.3

ADDITIONAL SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. provide teaching, educational or training services, as reasonably requested by Hospital;

2. participate in utilization review programs, as reasonably requested by Hospital;

3. participate in risk management, quality assurance and peer review programs, as reasonably requested by Hospital;

4. accept third party insured patients and referrals of patients which are made by members of the Medical Staff, subject only to the limitations of scheduling and Contractor's professional qualifications;

5. assist Hospital in monitoring and reviewing the clinical performance of health care professionals who provide services to Hospital's patients; including reviewing incident reports and patient satisfaction studies relevant to the Specialty, and assisting Hospital in implementing any necessary corrective actions to address any issues identified during the course of such review;

6. assist in monitoring the performance of those professionals who are not meeting Hospital quality and/or performance standards, including, without limitation, direct observation of the provision of care by such professionals, and in disciplining any professionals who continue poor performance, recognizing that the Hospital Board of Directors is ultimately responsible for maintaining the standards of care provided to patients;

7. assist Hospital management with all preparation for, and conduct of, any inspections and on-site surveys of Hospital conducted by governmental agencies or accrediting organizations;

8. cooperate with Hospital in all litigation matters affecting Contractor or Hospital, consistent with advice from Contractor's legal counsel;

9. cooperate and comply with Hospital's policies and procedures which are pertinent to patient relations, quality assurance, scheduling, billing, collections and other administrative matters. All business transactions related to the Services provided by Contractor, such as enrollment, verification and billings, shall be conducted by and in the name of Hospital; and

10. assist Hospital in developing, implementing and monitoring a program by which quality measures are reportable to Hospital with respect to the Specialty.

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Exhibit 1.5

CONTRACTOR'S MONTHLY TIME REPORT

(See attached.)

Natividad MEDICAL CENTER

Accurately document all time in quarter hour (.25 hour) increments. Do not exceed 24 hours in a single day.
Directions and examples are located on back of timesheet.

			Direct			Hospital Administrations and Teaching Services							Other Admin		Non-billable Activities				Total
			00001			00002	00003	00004	00005	00006	00007	00008	00009		00010		00011	00012	
Name:			Direct Patient Care Services			Supervision & Training of Nurses & Techs, etc.	Utilization Review and Other Committee Meetings	Quality Control, Medical Review, Autopsy	Supervision of Interns and Residents	Teaching of Interns & Residents	Teaching & Supervision of Allied Hlth Professionals	Other Administrative (specify)	CME (PR)	Conferences and Training (PR)	Non-Productive Hrs		Research	Other Non-Billable Activities (specify)	TOTAL HOURS
Employee #:															Paid Time Off (Sick/ Vacation) (PR)	Holiday (PR)			
Dept Name:			Sched. IP/ OP Care (PR)	In House On-Call (PR)	Off-Site Call (PR)														
Cost Center:																			
Period Ending:																			
1	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
2	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
3	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
4	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
5	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
6	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
7	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
8	Date:	A Hospital & NMC Clinic Time																	
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		B. Non-Hosp & Non-NMC Clinic Time																	
10	Date:	A Hospital & NMC Clinic Time																	
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11	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
12	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
13	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	
14	Date:	A Hospital & NMC Clinic Time																	
		B. Non-Hosp & Non-NMC Clinic Time																	

SIGN IN BLUE INK

I certify that the above information is a true and accurate statement of the hours and locations indicated.

Provider: _____

Telephone Number: _____ Date: _____

SIGN IN BLUE INK

I certify that the hours and types of service shown below are correct and that the employee performed satisfactorily, meeting all requirements.

Service Director: _____

Telephone Number: _____ Date: _____

REV. 4/20/2011

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Exhibit 1.10

Natividad MEDICAL CENTER

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 08/11
Standard: MSP004-2	**Approved: MEC** 08/11 **BOT** 09/11

As a member of the Medical Staff or an Advanced Practice Professional (APP) of Natividad Medical Center (NMC) (collectively Practitioners), I acknowledge that the ability of Practitioners and NMC employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team. I recognize that patients, family members, visitors, colleagues and NMC staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of NMC, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at NMC, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the NMC health care team.

2. Recognize the individual and independent responsibilities of all other members of the NMC health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, NMC employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Contribute to the overall educational mission of NMC.

6. Reflect positively upon the reputation of the health care profession, the Medical Staff, and NMC in their language, action, attitude, and behavior.

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Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior. Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of NMC, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at NMC, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the NMC health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude and behavior which consistently convey to patients, families, colleagues, and all other members of the NMC health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all NMC professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post-discharge planning and follow-up.

6. Respect the right of patients, families or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within NMC with courtesy, respect, and human dignity.

8. Conduct one’s practice at NMC in a manner that will facilitate timely commencement of medical/surgical procedures at NMC, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of NMC owned property.

2. Falsification of medical records, including timekeeping records and other NMC documents.

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3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or NMC employees should be reported on a NMC Quality Review Report form and submitted pursuant to NMC policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

    b. Harassing conduct includes, but is not limited to:

        1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

        2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on NMC's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects;

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10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages;

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling or shouting at a person, or threatening violence or retribution;

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of NMC staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at NMC who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident on a NMC Quality Review Report form.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

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Exhibit 1.22(a)

GROUP PHYSICIANS/GROUP PROVIDERS

[List Approved Group Providers Below]

Group Provider	NPI Number
Luba, Daniel G., M.D.	1790786002
Mendoza, Michael J., M.D.	1902989668
Hell, Richard W., M.D.	1114937927

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Exhibit 1.22(f)

LETTER OF ACKNOWLEDGEMENT

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906

Ladies and Gentlemen:

I acknowledge that NATIVIDAD MEDICAL CENTER (***"Hospital"***) and MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC. (***"Contractor"***) have entered into a Professional and Call Coverage Services Agreement (***"Agreement"***) under which Contractor shall perform specified Services (as defined in the Agreement), and that I have been engaged by Contractor to provide Professional Services as a ***"Group Provider"*** (as defined in the Agreement). In consideration of Hospital's approval of me as a Group Provider eligible to furnish the Services, I expressly:

1. Acknowledge that I have read those portions of the Agreement referenced in this Letter of Acknowledgement, and agree to abide by and comply with all of the requirements of the Agreement applicable to Group Providers;

2. Acknowledge that I have read the Code, and agree to abide by and comply with the Code as they relate to my business relationship with Hospital or any Affiliates, subsidiaries, employees, agents, servants, officers, directors, contractors and suppliers of every kind;

3. Acknowledge that I have no employment, independent contractor or other contractual relationship with Hospital, that my right to practice at Hospital as a Group Provider is derived solely through my employment or contractual relationship with Contractor;

4. Acknowledge that upon the expiration or termination of the Agreement for any reason, or the termination of my employment or other affiliation with Contractor for any reason, my clinical privileges to provide Professional Services and my Medical Staff membership if such clinical privileges are the only privileges I hold, will each immediately be relinquished, without any action on the part of Hospital and/or the Medical Staff;

5. Acknowledge that, with regard to all of the foregoing, I will not be entitled to any "fair hearing" or any other hearing or appellate review under any provision of the Medical Staff Bylaws, unless Hospital determines that my removal, or the termination of my right to provide Professional Services, as applicable, is reportable to any state's medical board or other agency responsible for professional licensing, standards or behavior, and hereby waive any right to demand or otherwise initiate any such hearing or appellate review under any provision of the Medical Staff Bylaws.

Sincerely,

_____
[Name of Group Provider]

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Exhibit 2.1

COMPENSATION

1. **Stipend Compensation.** Hospital shall pay to Contractor an amount equal to One Thousand Five Hundred Three Dollars ($1,503) per Shift for Coverage Services and Professional Services provided to Patients by Group Physicians pursuant to this Agreement. For purposes of this Agreement, a **"Shift"** shall mean a twenty-four (24) hour period.

2. **Advanced Practice Professional Services**. Hospitalist shall pay to Contractor an amount equal to Seventy Five Dollars ($75) per hour for the Advanced Practice Professional Services (the "**APP Compensation**") provided under this Agreement. The sum of the Coverage Stipend and the aggregate APP Compensation shall not to exceed Two Thousand One Hundred Three Dollars ($2,103) per day.

3. **Medical Director Services.** Hospital shall pay to Contractor the amount equal to Two Hundred Dollars ($250) per hour for the provision of Associate Medical Director Services, not to exceed Two Thousand Five Hundred Dollars ($2,500) per month.

4. **Timing.** Hospital shall pay the compensation due for Services performed by Contractor after Contractor's submission of the monthly invoice of preceding month's activity and time report in accordance with this Agreement; provided, however, that if Contractor does not submit an invoice and time sheet within sixty (60) days of the end of the month during which Services were performed, Hospital shall not be obligated to pay Contractor for Services performed during that month. The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".

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Exhibit 6.3

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective September 1, 2023 ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC. ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

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2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law , or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

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(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

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(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

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(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R.
§ 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

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4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

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5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC.
23 Upper Ragsdale Drive
Monterey, CA 93940

Attn:_____

Phone:_____

Fax:_____

If to Covered Entity, to:

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906

Attn:_____

Phone:_____

Fax:_____

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

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5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

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IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC.

DocuSigned by:

By: _____
B974AA244988425...

Print Name: DEFAULT

Print Title: Medical director

Date: 8/16/2023 | 1:05 PM PDT

COUNTY OF MONTEREY, ON BEHALF OF
NATIVIDAD MEDICAL CENTER

DocuSigned by:

By: Charles Harris
4E1F837D204E481...

Print Name: Charles Harris

Print Title: CEO

Date: 8/31/2023 | 5:04 PM PDT

County of Monterey

Board Report

Legistar File Number: A 25-326

Item No.19

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 7/25/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional and Call Coverage Services Agreement (A-15737) with Access TeleCare California, P.C. to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,680,000 but with no change to the Board approved agreement term April 1, 2022 to March 31, 2026.

RECOMMENDATION:
Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional and Call Coverage Services Agreement (A-15737) with Access TeleCare California, P.C. to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,680,000, but with no change to the Board approved agreement term April 1, 2022 to March 31, 2026.

SUMMARY/DISCUSSION:
NMC must arrange for the provision of professional consultation and treatment of patients who present to the emergency department and who are admitted to the hospital in need of medical care the specialty of neurology. Access TeleCare to provides 24/7 neurology consultative services for patients via specialized electronic telemedicine equipment. Services include indirect physical exams, history taking, diagnostic protocols, image analysis and recommendations for therapeutic interventions and/or diagnostic tests for any neurologic emergency. Due to high patient volumes, NMC wishes to amend the agreement with Access TeleCare and add funds so that they can continue to provide services without interruption. NMC has obtained an independent opinion of fair market value for the payment terms of this agreement.

OTHER AGENCY INVOLVEMENT:
County Counsel has reviewed and approved this Amendment as to legal form.
Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

FINANCING:
The total cost of this amendment is $400,000. The total not to exceed amount of this Agreement is $1,6800,000 for the period April 1, 2022 to March 31, 2026. $656,722 is included the Fiscal Year 2025/2026 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:

Fourth Amendment
Third Amendment
Second Amendment
First Amendment
Agreement

Attachments on file at the Clerk of the Board

County of Monterey

Board Report

Legistar File Number: A 25-326

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 7/25/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional and Call Coverage Services Agreement (A-15737) with Access TeleCare California, P.C. to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,680,000, but with no change to the Board approved agreement term April 1, 2022 to March 31, 2026.

RECOMMENDATION:

Authorize the Chief Executive Officer (CEO) for Natividad Medical Center (NMC) or his designee to execute the Fourth Amendment to the Professional and Call Coverage Services Agreement (A-15737) with Access TeleCare California, P.C. to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,680,000, but with no change to the Board approved agreement term April 1, 2022 to March 31, 2026.

SUMMARY/DISCUSSION:

NMC must arrange for the provision of professional consultation and treatment of patients who present to the emergency department and who are admitted to the hospital in need of medical care the specialty of neurology. Access TeleCare to provides 24/7 neurology consultative services for patients via specialized electronic telemedicine equipment. Services include indirect physical exams, history taking, diagnostic protocols, image analysis and recommendations for therapeutic interventions and/or diagnostic tests for any neurologic emergency. Due to high patient volumes, NMC wishes to amend the agreement with Access TeleCare and add funds so that they can continue to provide services without interruption. NMC has obtained an independent opinion of fair market value for the payment terms of this agreement.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad's Finance Committee and Board of Trustees.

FINANCING:

The total cost of this amendment is $400,000. The total not to exceed amount of this Agreement is $1,6800,000 for the period April 1, 2022 to March 31, 2026. $656,722 is included the Fiscal Year 2025/2026 Adopted Budget. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The services rendered in this agreement provide NMC with the additional support it needs in order to provide reliable and high-quality patient care which improves the health and quality of life for patients and their families.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Jeanne-Ann Balza, Director of Physician Services, 783.2506
Approved by: Dr. Charles R. Harris, Chief Executive Officer, 783.2551

Attachments:

Fourth Amendment
Third Amendment
Second Amendment
First Amendment
Agreement

Attachments on file at the Clerk of the Board

Docusign Envelope ID: EECA7ED3-520F-4CE4-BBED-9BC18E40DFAD

FOURTH AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS FOURTH AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Second Amendment"**) by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Access TeleCare California, P.C., a California professional corporation (**"Contractor"**), with respect to the following shall be effective on the date signed by all Parties.

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of April 1, 2022 as amended effective as of January 1, 2023, April 1, 2024 and December 10, 2024 (collectively, the **"Agreement"**), pursuant to which Contractor provides Specialty Services to Hospital Patients.

C. Hospital and Contractor desire to amend the Agreement to add $400,000 to the aggregate amount not to exceed.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Six Hundred Eighty Thousand Dollars ($1,680,000)."

3. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

4. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

5. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: EECA7ED3-520F-4CE4-BBED-9BC18E40DFAD

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ACCESS TELECARE CALIFORNIA, P.C., a California professional corporation

By: _____ Date: Jul 23, 2025
Its President 18K58WQ4-15Y8W5X7

By: XXXXXXX Date: _____
Its _____

NATIVIDAD MEDICAL CENTER

_____ Date: _____
Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel Date: 7/31/2025 | 4:54 PM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Deputy Auditor/Controller Date: 8/1/2025 | 7:42 AM PDT

Docusign Envelope ID: 84B699D2-D6B1-4F5D-8896-4E252CF8D5E3

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Mary L. Adams to:

Agreement No.: A-15737 ; Amendment No.: 3
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement with Access TeleCare California, P.C. (A-15737) to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,280,000 and extending the term by twelve months (April 1, 2025 to March 31, 2026) for a revised full agreement term of April 1, 2022 to March 31, 2026.

PASSED AND ADOPTED on this 3rd day of December 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting December 3, 2024.

Dated: December 9, 2024
File ID: A 24-531
Agenda Item No.: 42

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Vicente Ramirez, Deputy

Docusign Envelope ID: 84B699D2-D6B1-4F5D-8896-4E252CF8D5E3

THIRD AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS THIRD AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Second Amendment"**) by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Access TeleCare California, P.C., a California professional corporation (**"Contractor"**), with respect to the following shall be effective on the date signed by all Parties.

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of April 1, 2022 as amended effective as of January 1, 2023 and April 1, 2024 (collectively, the **"Agreement"**), pursuant to which Contractor provides Specialty Services to Hospital Patients.

C. Hospital and Contractor desire to amend the Agreement to extend the term by twelve (12) months and add $400,000 to the aggregate amount not to exceed.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Two Hundred Eighty Thousand Dollars ($1,280,000)."

3. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on April 1, 2022 (the **"Effective Date"**) and shall continue until March 31, 2026 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.**"**

Docusign Envelope ID: 84B699D2-D6B1-4F5D-8896-4E252CF8D5E3

4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

5. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

6. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: 84B699D2-D6B1-4F5D-8896-4E252CF8D5E3

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ACCESS TELECARE CALIFORNIA, P.C., a California professional corporation

DocuSigned by:
By: Chris Gallagher Date: 11/5/2024 | 5:07 PM EST
AEFC4B394B0E40F...
Its President

By: xxxxxxxxxxxxx Date: _____
Its _____

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles R. Harris Date: 12/10/2024 | 2:53 PM PST
4E1F837D204E481...
Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

Signed by:
Stacy Saetta Date: 11/6/2024 | 1:15 PM PST
696D21D44C4341D...
Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth Date: 11/6/2024 | 4:01 PM PST
4E7E657875454AE...
Deputy Auditor/Controller

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Luis A. Alejo to:

Agreement No.: A-15737; Amendment No.: 2
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the Second Amendment to the Professional and Call Coverage Services Agreement with Access TeleCare California, P.C. (A-15737) to provide tele-neurology services extending the term by twelve months (April 1, 2024 to March 31, 2025) for a revised full agreement term of April 1, 2022 to March 31, 2025, but with no change to the aggregate not to exceed amount of $880,000.

PASSED AND ADOPTED on this 26th day of March 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting March 26, 2024.

Dated: April 2, 2024
File ID: A 24-110
Agenda Item No.: 23

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

DocuSign Envelope ID: 59BCC236-EF2B-45A3-AB94-8C8E268C7F07

SECOND AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS SECOND AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Second Amendment"**) is made and entered into effective as of April 1, 2024 by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Access TeleCare California, P.C., a California professional corporation (**"Contractor"**), with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of April 1, 2022 and amended effective as of January 1, 2023 (collectively, the **"Agreement"**), pursuant to which Contractor provides Specialty Services to Hospital Patients.

C. Hospital and Contractor desire to amend the Agreement and extend the term by twelve (12) months.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on April 1, 2022 (the **"Effective Date"**) and shall continue until the earlier of: (a) the effective date of any new agreement entered into by and between Parties for the same or similar services as this Agreement, or (b) March 31, 2025 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.**"**

3. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

4. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

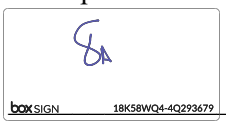
5. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

DocuSign Envelope ID: 59BCC236-EF2B-45A3-AB94-8C8E268C7F07

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ACCESS TELECARE CALIFORNIA, P.C., a California professional corporation

By:  Date: Mar 13, 2024

Its CEO

By: _____ Date: _____

Its _____

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles R. Harris
4E1E837D204E481...

Date: 4/1/2024 | 10:23 AM PDT

Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0EGE1B99F444A9...

Date: 3/14/2024 | 10:53 AM PDT

Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...

Date: 3/14/2024 | 12:54 PM PDT

Deputy Auditor/Controller

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Mary L. Adams, seconded by Supervisor Chris Lopez to:

Agreement No.: A-15737 ; Amendment No.: 1
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the First Amendment to the Professional and Call Coverage Services Agreement with Access TeleCare California, P.C. (formerly Tele-Physicians, P.C.) to provide tele-neurology services adding $80,000 for a revised amount not to exceed $880,000 in the aggregate, but with no change to the original Agreement term, April 1, 2022 to March 31, 2024.

PASSED AND ADOPTED on this 24th day of October 2023, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting October 24, 2023.

Dated: November 1, 2023
File ID: A 23-497
Agenda Item No.: 52

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Vicente Ramirez, Deputy

DocuSign Envelope ID: 64E2CB96-F8D9-433C-8E0A-9540DD96FDE8

FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE AGREEMENT

THIS FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE AGREEMENT (the "**First Amendment**") is made and entered into effective as of January 1, 2023, by and between County of Monterey ("**County**") on behalf of Natividad Medical Center ("**Hospital**") and Access TeleCare California, P.C., a California professional corporation ("**Contractor**") with respect to the following:

RECITALS

A. Hospital and Tele-Physicians, P.C., a California professional corporation were parties to a Professional and Call Coverage Agreement **A-15737** (the "**Prior Agreement**") for the period February 1, 2018 to March 31, 2022.

B. Hospital and Tele-Physicians, P.C., a California professional corporation are parties to a Professional and Call Coverage Agreement (the "**Agreement**") dated effective April 1, 2022, pursuant to which Contractor provides the Services, as defined in the Agreement, to Hospital.

C. Effective January 1, 2023 (the "**Merger Effective Date**"), Tele-Physicians, P.C. ("**Former PC**") was merged with and into Access TeleCare California, P.C., with Access TeleCare California, P.C. being the surviving company in the merger.

D. The Parties desire to amend the Agreement to update references to "Contractor," as more particularly described herein and add $80,000 to the aggregate not to exceed amount.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and undertakings contained herein, the Parties agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Amendment to Agreement.** The Agreement shall be amended to delete all references to "Tele-Physicians, P.C." and replace those references with "Access TeleCare California, P.C.," and any reference to "Contractor" in the Agreement shall now refer to "Access TeleCare California, P.C."

3. **Obligations**. Contractor expressly assumes and agrees to keep, perform and fulfill, from and after the Merger Effective Date, all of the terms, covenants, conditions and obligations required to be kept, performed and fulfilled by Contractor under the Agreement. Contractor acknowledges that this First Amendment shall not diminish the Former PC's obligations with respect to performance owed prior to the Merger Effective Date, nor adversely affect any claims the County or Hospital may have or assert, now or in the future, with respect to such performance obligations of the Former PC.

4. **Termination**. Hospital and Contractor agree to terminate the Agreement, effective as of the Effective Date of a new Professional and Call Coverage Services Agreement ("**New PSA**"), as defined under the New PSA.

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5. **Hold Harmless**. The Contractor, Hospital and County agree that any payments made in good faith by or on behalf of the County or Hospital to either the Former PC or Contractor, after the Merger Effective Date but prior to the execution of this First Amendment, shall be deemed to have been made to whichever Party was entitled to receive such payment pursuant to the Agreement and to this First Amendment. Neither the County nor Hospital shall have any further obligation to Contractor with respect to such payments previously made, notwithstanding other provisions of this First Amendment. Contractor acknowledges that County shall remit any payment to Contractor for services rendered by the Former PC prior to the Merger Effective Date, to the extent such payment has not already been made by or on behalf of the County on or before the date of the execution of this First Amendment, subject to the terms of the Agreement. Contractor shall hold each of the County and Hospital harmless and will indemnify each Party for making such payments.

6. **Supplemental Payment**. Parties acknowledge that payment is due for Services rendered under the Prior Agreement. Hospital shall pay Contractor an amount equal to Fifty-Three Thousand Two Hundred Fifty Dollars ($53,250) for Services provided under the Prior Agreement (the "Supplemental Payment"). Such amounts were invoiced by Contractor pursuant to the following invoices: CA0003648, CA0003670, CA0003681, CA0003717, CA0003705Aand remain outstanding.

7. **Successors and Assigns**. This Assignment shall be binding on and inure to the benefit of Access TeleCare California, P.C. and its respective successors and assigns.

8. **Third Party Beneficiaries**. Except as expressly provided in this Section, no person other than the parties hereto shall have any right, benefit or obligation under this First Amendment as a third-party beneficiary or otherwise

9. **Status of Agreement**. Except as amended above, all other provisions of the Agreement shall remain in full force and effect, without change.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the date first above written.

CONTRACTOR:
Access TeleCare California, PC

By: _____
boxSIGN 1BK58WQ4-4L26K7K9

Title: CEO

Date: Oct 11, 2023

HOSPITAL:
Natividad Medical Center

By: _____

Title: CEO

Date: 10/30/23

NATIVIDAD MEDICAL CENTER

_____
Deputy Purchasing Agent

Date: 10/30/23

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel

Date: 10/11/2023 | 11:58 AM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...
Deputy Auditor/Controller

Date: 10/11/2023 | 3:18 PM PDT

DocuSign Envelope ID: 36EBB4D0-4F54-46C4-B948-14A1441AB6C3

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor John M. Phillips, seconded by Supervisor Chris Lopez to:

Agreement No.: A-15737
a. Authorize the Interim Chief Executive Officer for Natividad or his designee to execute the Professional and Call Coverage Services Agreement with Tele-Physicians, P.C. to provide tele-neurology services for an amount not to exceed $800,000 the period April 1, 2022 to March 31, 2024; and
b. Authorize the Interim Chief Executive Officer for Natividad or his designee to sign up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work and do not cause an increase of more than ten percent 10% ($80,000) of the original contract amount.

PASSED AND ADOPTED on this 22nd day of March 2022, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting March 22, 2022.

Dated: March 24, 2022
File ID: A 22-095
Agenda Item No.: 33

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Julian Lorenzana, Deputy

DocuSign Envelope ID: 36EBB4D0-4F54-46C4-B948-14A1441AB6C3

PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

by and between

NATIVIDAD MEDICAL CENTER ("Hospital")

and

TELE-PHYSICIANS, P.C. ("Contractor")

DocuSign Envelope ID: 36EBB4D0-4F54-46C4-B948-14A1441AB6C3

PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (this **"Agreement"**) is entered into as of April 1, 2022, by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Tele-Physicians, P.C., a California professional corporation (**"Contractor"**). County, Hospital and Contractor are sometimes referred to in this Agreement as a **"Party"** or, collectively, as the **"Parties."**

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor is a professional corporation organized under the laws of the State of California (the **"State"**), consisting of employees and contractors (collectively, **"Group Physicians"** and each, a **"Group Physician"**), each of whom is a physician duly licensed and qualified to practice medicine in the State. Each Group Physician is board eligible for the practice of medicine in the specialty of neurology (the **"Specialty"**).

C. Hospital must arrange for the provision of professional consultation and treatment of patients who present to the emergency department, who are admitted as Hospital inpatients in need of medical care or treatment in the Specialty, and/or who present to Hospital's Clinic (collectively, the **"Patients"**), without regard to any consideration other than medical condition.

AGREEMENT

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I.
CONTRACTOR'S OBLIGATIONS

1.1 Professional Services. Contractor shall provide the professional services in the Specialty described in **Exhibit 1.1** to Patients (**"Professional Services"**), upon the terms and subject to the conditions set forth in this Agreement.

1.2 Additional Services. Contractor shall provide to Hospital those additional services set forth in **Exhibit 1.3** (the **"Additional Services"**), upon the terms and subject to the conditions set forth in this Agreement. The Professional Services and Additional Services are sometimes referred to collectively in this Agreement as the **"Services."**

1.3 Availability. Contractor shall ensure that one (1) or more of its Group Physicians shall be available to provide the Services on a twenty-four (24) hour per day, seven (7) day per week basis.

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1.4 Medical Staff. Each Group Physician shall be a member in good standing and active on the Hospital's medical staff (the **"Medical Staff"**) and have and maintain all clinical privileges at Hospital necessary for the performance of Group Physician's obligations under this Agreement. If, as of the Effective Date (as defined in Section 5.1), any Group Physician is not a member in good standing or active on the Medical Staff or does not hold all clinical privileges at Hospital necessary for the performance of Group Physician's obligations hereunder, such Group Physician shall have a reasonable amount of time, which in no event shall exceed sixty (60) calendar days from the Effective Date, to obtain such membership and/or clinical privileges; provided, however, that such Group Physician diligently pursues such membership and/or clinical privileges in accordance with the normal procedures set forth in the Medical Staff bylaws; and provided, however, that, at all times, Group Physician has been granted privileges to perform the Services. Contractor agrees to pay the Hospital's initial and re-appointment fees on behalf of Group Physicians. Any Group Physician may obtain and maintain medical staff privileges at any other hospital or health care facility at Group Physician's sole expense.

1.5 Professional Qualifications. Each Group Physician shall have and maintain an unrestricted license to practice medicine in the State. Each Group Physician shall be board eligible in the Specialty by the applicable medical specialty board approved by the American Board of Medical Specialties. Each Group Physician shall have and maintain a valid and unrestricted United States Drug Enforcement Administration (**"DEA"**) registration.

1.6 Review of Office of the Inspector General ("OIG") Medicare Compliance Bulletins. The OIG from time to time issues Medicare compliance alert bulletins. To the extent applicable to Contractor's performance under this Agreement, Contractor and each Group Physician shall undertake to review, be familiar with and comply with all applicable requirements of such OIG compliance bulletins.

1.7 Performance Standards. Contractor and each Group Physician shall comply with all bylaws, Medical Staff policies, rules and regulations of Hospital and the Medical Staff (collectively, the **"Hospital Rules"**), and all protocols applicable to the Services or the Hospital (the **"Protocols"**).

1.8 Code of Conduct. Contractor hereby acknowledges receipt of Hospital's Code of Conduct which is attached to this Agreement as **Exhibit 1.8** (the **"Code"**), and agrees that Contractor and each Group Physician has been given ample opportunity to read, review and understand the Code. With respect to Contractor's and the Group Physicians' business dealings with Hospital and their performance of the Services described in this Agreement, neither Contractor nor any Group Physician shall act in any manner which conflicts with or violates the Code, nor cause another person to act in any manner which conflicts with or violates the Code. Contractor and each Group Physician shall comply with the Code as it relates to their business relationship with Hospital or any Affiliate, subsidiaries, employees, agents, servants, officers, directors, contractors and suppliers of every kind.

1.9 Continuing Medical Education. Contractor shall ensure that each Group Physician participates in continuing medical education as necessary to maintain licensure, professional competence and skills commensurate with the standards of the medical community and as otherwise required by the medical profession.

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1.10 Notification of Certain Events. Contractor shall notify Hospital in writing within twenty-four (24) hours after the occurrence of any one or more of the following events:

(a) Contractor or any Group Physician becomes the subject of, or materially involved in, any investigation, proceeding, or disciplinary action by: Medicare and Medicaid programs or any other Federal health care program, as defined at 42 U.S.C. Section 1320a-7b(f) (collectively, the **"Federal Health Care Programs"**) or state equivalent, any state's medical board, any agency responsible for professional licensing, standards or behavior, or any medical staff;

(b) the medical staff membership or clinical privileges of any Group Physician at any hospital are denied, suspended, restricted, revoked or voluntarily relinquished, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(c) any Group Physician becomes the subject of any suit, action or other legal proceeding arising out of Contractor's professional services;

(d) any Group Physician voluntarily or involuntarily retires from the practice of medicine;

(e) any Group Physician's license to practice medicine in the State is restricted, suspended or terminated, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(f) Contractor or any Group Physician is charged with or convicted of a criminal offense;

(g) Contractor changes the location of Contractor's office;

(h) any act of nature or any other event occurs which has a material adverse effect on Contractor's or any Group Physician's ability to provide the Services; or

(i) Contractor or any Group Physician is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent.

1.11 Representations and Warranties by Contractor. Contractor represents and warrants that: (a) no Group Physician's license to practice medicine in any state has ever been suspended, revoked or restricted; (b) neither Contractor nor any Group Physician has ever been reprimanded, sanctioned or disciplined by any licensing board or medical specialty board; (c) neither Contractor nor Group Physician has ever been excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program; (d) no Group Physician has ever been denied membership and/or reappointment to the medical staff of any hospital or health care facility; (e) no Group Physician's medical staff membership or clinical privileges at any hospital or health care facility have ever been suspended, limited or revoked for a medical disciplinary cause or reason; and (f) no Group Physician has ever been charged with or convicted of a felony, a misdemeanor involving fraud, dishonesty, controlled substances, or moral turpitude, or any crime relevant to the provision of medical services or the practice of medicine.

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1.12 Nondiscrimination. Neither Contractor nor any Group Physician shall differentiate or discriminate in performing the Services on the basis of race, religion, creed, color, national origin, ancestry, sex, physical disability, mental disability, medical condition, marital status, age, sexual orientation or payor, or on any other basis prohibited by applicable law.

1.13 Non-Exclusive Services. The Services provided by Contractor hereunder are intended to be non-exclusive. Notwithstanding the above, during the term of this Agreement, Contractor shall undertake to retain the service capacity necessary to provide those Services described in this Agreement, to the extent necessary to serve the reasonably foreseeable patient needs for medical care at Hospital and the administrative services hereunder.

1.14 Compliance with Grant Terms. If this Agreement has been or will be funded with monies received by Hospital or County pursuant to a contract with the state or federal government or private entity in which Hospital or County is the grantee, Contractor and Group Physicians shall comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, Hospital shall deliver a copy of said contract to Contractor at no cost to Contractor.

1.15 Medical Records and Claims.

(a) Contractor shall ensure that each Group Physician prepares complete, timely, accurate and legible medical and other records with respect to the services and treatment furnished to patients, in accordance with the Hospital Rules, federal and state laws and regulations, and standards and recommendations of such nationally recognized accrediting organization as Hospital designates from time to time. All such information and records relating to any patient shall be: (i) prepared on forms developed, provided or approved by Hospital; (ii) the sole property of Hospital; and (iii) maintained at Hospital in accordance with the terms of this Agreement and for so long as is required by applicable laws and regulations.

(b) Contractor shall maintain and upon request provide to patients, Hospital, and state and federal agencies, all financial books and records and medical records and charts as may be necessary for Contractor and/or Hospital to comply with applicable state, federal, and local laws and regulations and with contracts between Hospital and third party payors. Contractor shall cooperate with Hospital in completing such claim forms for patients as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors. Contractor shall retain all such records and information for at least ten (10) years following the expiration or termination of this Agreement. This Section 1.15(b) shall survive the expiration or termination of this Agreement.

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1.16 Records Available to Contractor. Both during and after the term of this Agreement, Hospital shall permit Contractor and Contractor's agents to inspect and/or duplicate, at Contractor's sole cost and expense, any medical chart and record to the extent necessary to meet Contractor's professional responsibilities to patients, to assist in the defense of any malpractice or similar claim to which such chart or record may be pertinent, and/or to fulfill requirements pursuant to provider contracts to provide patient information; provided, however, such inspection or duplication is permitted and conducted in accordance with applicable legal requirements and pursuant to commonly accepted standards of patient confidentiality. Contractor shall be solely responsible for maintaining patient confidentiality with respect to any information which Contractor obtains pursuant to this Section.

1.17 Group Physicians.

(a) Contractor shall employ, contract with, or otherwise engage Group Physicians. Contractor has initially engaged those Group Physicians listed (and identified by NPI number) on **Exhibit 1.17(a)** to provide the Services, which Group Physicians are hereby approved and accepted by Hospital.

(b) Contractor may from time to time engage one (1) or more additional Group Physicians (including locum tenens physicians) to provide the Services under this Agreement, subject to Hospital's prior written approval, which approval may be given, withheld or conditioned by Hospital in its sole discretion. In the event Hospital withholds approval with respect to any additional Group Physician, such Group Physician shall not be entitled to any "fair hearing" or any other hearing or appellate review under any provision of the Medical Staff Bylaws, unless Hospital determines that the withholding of approval is reportable to any state's medical board or other agency responsible for professional licensing, standards or behavior.

(c) Contractor shall ensure that, during the term of this Agreement, any and all Group Physicians (including locum tenens physicians) providing the Services satisfy the professional standards and qualifications set forth in this Article I of this Agreement.

(d) Contractor shall provide prompt written notice to Hospital in the event any Group Physician resigns, is terminated by Contractor, or otherwise ceases to provide the Services.

(e) Contractor shall ensure that the Services are performed only by Group Physicians who have been approved and accepted by Hospital, and have not been removed in accordance with this Agreement.

(f) Contractor shall cause each Group Physician providing the Services to comply with all obligations, prohibitions, covenants and conditions imposed on Contractor pursuant to this Agreement. Contractor shall cause each Group Physician to execute and deliver to Hospital a letter of acknowledgment in the form attached as **Exhibit 1.17(f)** prior to providing any Services under this Agreement.

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ARTICLE II.
COMPENSATION

2.1 Compensation. Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of Eight Hundred Thousand Dollars ($800,000).

2.2 Billing and Collection. Hospital shall have the sole and exclusive right to bill and collect for any and all Professional Services rendered to Patients by Contractor or any Group Physician under this Agreement (the **"NMC Services"**). Hospital shall have the sole and exclusive right, title and interest in and to accounts receivable with respect to such NMC Services.

(a) **Assignment of Claims.** Contractor hereby assigns (or reassigns, as the case may be) to Hospital all claims, demands and rights of Contractor for any and all NMC Services rendered by Contractor pursuant to this Agreement. Contractor shall take such action and execute such documents (e.g., CMS Forms 855R and 855I), as may be reasonably necessary or appropriate to effectuate the assignment (or reassignment, as the case may be) to Hospital of all claims, demands and rights of Contractor for any and all NMC Services rendered by Contractor pursuant to this Agreement.

(b) **Cooperation with Billing and Collections.** Contractor shall cooperate with Hospital in the billing and collection of fees with respect to NMC Services rendered by Contractor. Without limiting the generality of the foregoing, Contractor shall cooperate with Hospital in completing such claim forms with respect to NMC Services rendered by Contractor pursuant to this Agreement as may be required by insurance carriers, health care service plans, governmental agencies, or other third party payors.

(c) **Hospital as Exclusive Source for Compensation for NMC Services.** Contractor shall seek and obtain compensation for the performance of NMC Services only from Hospital. Contractor shall not, bill, assess or charge any fee, assessment or charge of any type against any Hospital patient or any other person or entity for NMC Services rendered by Contractor pursuant to this Agreement. Contractor shall promptly deliver to Hospital any and all compensation, in whatever form, that is received by Contractor or any Group Physician for NMC Services rendered by Contractor or any Group Physician pursuant to this Agreement, including any amount received from any Managed Care Organization (as defined below) for NMC Services rendered by Contractor or any Group Physician pursuant to this Agreement.

(d) **Joint and Several Liability.** Hospital and Contractor acknowledge that they will be jointly and severally liable for any Federal Health Care Program overpayments relating to claims with respect to NMC Services furnished by Contractor pursuant to this Agreement. The foregoing is not intended and shall not be construed to diminish, limit, alter or otherwise modify in any way the Parties' respective indemnification obligations under this Agreement.

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(e) **Indemnification for Billing Information.** Contractor hereby agrees to indemnify County, Hospital, its officers, supervisors, trustees, employees and agents, from and against any and all liability, cost, loss, penalty or expense (including, without limitation, attorneys' fees and court costs) incurred by Hospital resulting from negligent acts or negligent omissions of Contractor which result in inaccurate and/or improper billing information furnished by Contractor and relied on by Hospital regarding Professional Services rendered by Contractor to Patients, to the extent such liability, cost, loss, penalty or expense exceeds the amount of payment or reimbursement actually received by Hospital for such services.

2.3 Third Party Payor Arrangements.

(a) Contractor shall cooperate in all reasonable respects necessary to facilitate Hospital's entry into or maintenance of any third party payor arrangements for the provision of services under Federal Health Care Programs or any other public or private health and/or hospital care programs, including insurance programs, self-funded employer health programs, health care service plans and preferred provider organizations.

(b) To enable Hospital or the Clinic to participate in any third party payor arrangement, Contractor shall, not more than ten (10) business days following Hospital's request:

(i) Initiate enrollment as a provider (if required by the third party payor), separate from Hospital and Clinic, with any third party payor or intermediate organization (including any independent practice association) (each, a **"Managed Care Organization"**) designated by Hospital for the provision of Professional Services to Hospital patients covered by such Managed Care Organization;

(ii) Complete any documents (e.g., CAQH Universal Provider Datasource form) as may be reasonably necessary or appropriate to effectuate enrollment;

(iii) Enter into a written agreement with such Managed Care Organization as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization; and/or

(iv) Enter into a written agreement with Hospital regarding global billing, capitation or other payment arrangements as may be necessary or appropriate for the provision of Professional Services to Hospital patients covered by such Managed Care Organization.

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ARTICLE III.
INSURANCE AND INDEMNITY

3.1 Evidence of Coverage. Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies. This verification of coverage shall be sent to Hospital's Medical Staff Office, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and Hospital has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

3.2 Qualifying Insurers. All coverages except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Hospital's Contracts/Purchasing Director.

3.3 Insurance Coverage Requirements. Without limiting Contractor's or Group Physician's duty to indemnify, Contractor shall maintain in effect throughout the term of this Agreement, at Contractor's sole cost and expense, a policy or policies of insurance with the following minimum limits of liability:

(a) **Professional liability insurance**, covering Contractor and each Group Physician with coverage of not less than One-Million Dollars ($1,000,000) per physician per occurrence and Three-Million Dollars ($3,000,000) per physician in the aggregate; or such other amount(s) of professional liability insurance as may be required by Article 2.2-1 of Hospital's Medical Staff Bylaws from time to time, to cover liability for malpractice and/or errors or omissions made in the course of rendering services under this Agreement. If any professional liability insurance covering Contractor and Group Physician is procured on a "Claims Made" rather than "Occurrence" basis, then Contractor and Group Physician shall either continue such coverage or obtain extended reporting coverage (**"Tail Coverage"**), as appropriate, upon the occurrence of any of the following: (i) termination or expiration of this Agreement; (ii) change of coverage if such change shall result in a gap in coverage; or (iii) amendment, reduction or other material change in the then existing professional liability coverage of Contractor if such amendment, reduction or other material change will result in a gap in coverage. Any Tail Coverage shall have liability limits in the amount set forth above and shall in all events continue in existence until the greater of: (a) three (3) years or (b) the longest statute of limitations for professional and general liability for acts committed has expired. All insurance required by this Agreement shall be with a company acceptable to County and issued and executed by an admitted insurer authorized to transact insurance business in the State.

(b) **Commercial general liability insurance**, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

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☐ Exemption/Modification (Justification attached; subject to approval).

(c) **Business automobile liability insurance**, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than One Million Dollars ($1,000,000) per occurrence.

☒ Exemption/Modification (Justification attached; subject to approval).

Contractor does not provide services on the Natividad premises and does not drive on County Property in order to meet the requirements of the Agreement.

(d) **Workers' Compensation Insurance**, if Contractor employs others in the performance of this Agreement, in accordance with California Labor Code Section 3700 and with Employer's Liability limits not less than One Million Dollars ($1,000,000) each person, One Million Dollars ($1,000,000) each accident and One Million Dollars ($1,000,000) each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

3.4 Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to Hospital and issued and executed by an admitted insurer authorized to transact insurance business in the State. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date Contractor and Group Physicians complete their performance of services under this Agreement.

Each liability policy shall provide that Hospital shall be given notice in writing at least thirty (30) days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor, Group Physicians, and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance. The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

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Prior to the execution of this Agreement by Hospital, Contractor shall file certificates of insurance with Hospital's Medical Staff Office, showing that the Contractor has in effect the insurance required by this Agreement. The Contractor shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

Contractor and each Group Physician shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Hospital, annual certificates to Hospital's Medical Staff Office. If the certificate is not received by the expiration date, Hospital shall notify Contractor and Contractor shall have five (5) calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by Contractor to maintain such insurance is a default of this Agreement, which entitles Hospital, at its sole discretion, to terminate the Agreement immediately.

3.5 Right to Offset Insurance Costs.

(a) In the event that Contractor does not purchase or otherwise have the liability insurance set forth in this Section at any time during the term of this Agreement, and without limiting any rights or remedies of County, County may at its option and within its sole discretion provide the liability insurance required by this Section and continue to pay the premiums therefor. If Contractor does not promptly reimburse all such amounts, then County shall have the right to withhold and offset the compensation due to Contractor under this Agreement, in addition to such other rights or privileges as County may have at law or in equity.

(b) The County's option to provide such insurance and to offset the compensation otherwise due to the Contractor shall also apply to the "Tail Coverage" referenced in Section 3.3, including for general liability if during the term of the Agreement such coverage has been written on a claims made basis, which is required to remain effective after the expiration or termination of this Agreement for any reason.

3.6 Indemnification.

(a) **Indemnification by Contractor.** Contractor and each Group Physician shall indemnify, defend, and hold harmless County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with Contractor's or Group Physicians' performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County. "Contractor's performance" includes Contractor's and Group

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Physicians' acts or omissions and the acts or omissions of Contractor's officers, employees, agents and subcontractors.

(b) **Indemnification by County.** County agrees to defend, indemnify, and hold harmless Contractor and Group Physicians, to the extent permitted by applicable law, from and against any and all claims and losses whatsoever accruing or resulting to any person, firm or corporation for damages, injury or death arising out of or connected with any negligent act or omission or willful misconduct of County or any of its agents or employees.

3.7 Indemnification for Timely Payment of Tax Contributions. It is expressly agreed by the Parties hereto that no work, act, commission or omission of Contractor or any Group Physician shall be construed to make or render Contractor or any Group Physician the agent, employee or servant of County. Contractor and each Group Physician agrees to indemnify, defend and hold harmless County and Hospital from and against any and all liability, loss, costs or obligations (including, without limitation, interest, penalties and attorney's fees in defending against the same) against County or Hospital based upon any claim that Contractor has failed to make proper and timely payment of any required tax contributions for itself, its employees, or its purported agents or independent contractors.

3.8 Hospital Services. Hospital shall retain professional and administrative responsibility for the operation of the Hospital and/or Clinic, as and to the extent required by Title 22, California Code of Regulations, Section 70713. Hospital's retention of such responsibility is not intended and shall not be construed to diminish, limit, alter or otherwise modify in any way the obligations of Contractor under this Agreement, including, without limitation, the obligations under the insurance and indemnification provisions set forth in this Article III.

3.9 Survival of Obligations. The Parties' obligations under this Article III shall survive the expiration or termination of this Agreement for any reason.

ARTICLE IV.
RELATIONSHIP BETWEEN THE PARTIES

4.1 Independent Contractor.

(a) Contractor and each Group Physician is and shall at all times be an independent contractor with respect to Hospital in the performance of Contractor's and Group Physician's obligations under this Agreement. Nothing in this Agreement shall be construed to create an employer/employee, joint venture, partnership, lease or landlord/tenant relationship between Hospital and Contractor or Hospital and any Group Physician. No Group Physician shall hold himself or herself out as an officer, agent or employee of Hospital, and shall not incur any contractual or financial obligation on behalf of Hospital without Hospital's prior written consent.

(b) If the Internal Revenue Service (**"IRS"**) or any other governmental agency should inquire about, question or challenge the independent contractor status of Contractor or any Group Physician with respect to County, the Parties hereto mutually agree that: (i) each shall inform the other Party hereto of such inquiry or challenge; and (ii) County and Contractor shall

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each have the right to participate in any discussion or negotiation occurring with the taxing agency, regardless of who initiated such discussions or negotiations. In the event the taxing agency concludes that an independent contractor relationship does not exist, County may terminate this Agreement effective immediately upon written notice. In the event of such termination, the Parties remain free to negotiate an employer/employee contract with any Group Physician.

4.2 Limitation on Control. Hospital shall neither have nor exercise any control or direction over Contractor's or any Group Physician's professional medical judgment or the methods by which Contractor or any Group Physician performs professional medical services; provided, however, that Contractor and Group Physicians shall be subject to and shall at all times comply with the Protocols and the bylaws, guidelines, policies and rules applicable to other members of the Medical Staff.

4.3 Practice of Medicine. Contractor and Hospital acknowledge that Hospital is neither authorized nor qualified to engage in any activity which may be construed or deemed to constitute the practice of medicine. To the extent that any act or service required of, or reserved to, Hospital in this Agreement is construed or deemed to constitute the practice of medicine, the performance of such act or service by Hospital shall be deemed waived or unenforceable, unless this Agreement can be amended to comply with the law, in which case the Parties shall make such amendment.

4.4 No Benefit Contributions. Hospital shall have no obligation under this Agreement to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor. Notwithstanding the foregoing, if Hospital determines or is advised that it is required by law to compensate or pay applicable taxes for, or provide employee benefits of any kind (including contributions to government mandated, employment-related insurance and similar programs) to, or on behalf of, Contractor or any other person employed or retained by Contractor, Contractor shall reimburse Hospital for any such expenditure within thirty (30) calendar days after being notified of such expenditure.

4.5 Referrals. Contractor and the Group Physicians shall be entitled to refer patients to any hospital or other health care facility or provider deemed by Contractor or the Group Physicians best qualified to deliver medical services to any particular patient; provided; however, that neither Contractor nor any Group Physician shall refer any Hospital patient to any provider or health care services which either Contractor or any Group Physician knows or should have known is excluded or suspended from participation in, or sanctioned by, any Federal Health Care Program or state equivalent. Nothing in this Agreement or in any other written or oral agreement between Hospital and Contractor or Hospital and the Group Physicians, nor any consideration offered or paid in connection with this Agreement, contemplates or requires the admission or referral of any patients or business to Hospital or any Affiliate. In the event that any governmental agency, any court or any other judicial body of competent jurisdiction, as applicable, issues an opinion, ruling or decision that any payment, fee or consideration provided for hereunder is made or given in return for patient referrals, either Party may at its option terminate this Agreement with three (3) days notice to the other Party. Contractor's rights under

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this Agreement shall not be dependent in any way on the referral of patients or business to Hospital or any Affiliate by Contractor, Group Physician or any person employed or retained by Contractor.

4.6 Form 1099 or W-2. If required to do so under applicable law, Hospital shall issue an Internal Revenue Service Form 1099 or Form W-2 to Contractor.

4.7 Contractor Compensation Arrangements. Contractor represents and warrants to Hospital that the compensation paid or to be paid by Contractor to any physician is and will at all times be fair market value for services and items actually provided by such physician, not taking into account the value or volume of referrals or other business generated by such physician for Hospital or any Affiliate. Contractor further represents and warrants to Hospital that Contractor has and will at all times maintain a written agreement with each physician receiving compensation from Contractor.

4.8 Cooperation.

(a) The Parties recognize that, during the term of this Agreement and for an undetermined time period thereafter, certain risk management issues, legal issues, claims or actions may arise that involve or could potentially involve the Parties and their respective employees and agents. The Parties further recognize the importance of cooperating with each other in good faith when such issues, claims or actions arise, to the extent such cooperation does not violate any applicable laws, cause the breach of any duties created by any policies of insurance or programs of self-insurance, or otherwise compromise the confidentiality of communications or information regarding the issues, claims or actions. As such, the Parties hereby agree to cooperate in good faith, using their best efforts, to address such risk management and legal issues, claims, or actions.

(b) The Parties further agree that if a controversy, dispute, claim, action or lawsuit (each, an **"Action"**) arises with a third party wherein both the Parties are included as defendants, each Party shall promptly disclose to the other Party in writing the existence and continuing status of the Action and any negotiations relating thereto. Each Party shall make every reasonable attempt to include the other Party in any settlement offer or negotiations. In the event the other Party is not included in the settlement, the settling Party shall immediately disclose to the other Party in writing the acceptance of any settlement and terms relating thereto, if allowed by the settlement agreement.

(c) Contractor shall cooperate with the individual designated by Hospital to have principal responsibility for the administration and operation of the Hospital and/or Clinic. Such cooperation shall include supervision, selection, assignment, and evaluation of personnel; management and direction of equipment maintenance; development of budgets; and oversight of the acquisition of materials, supplies, and equipment.

(d) Contractor shall assist Hospital, as reasonably requested by Hospital, in Hospital's compliance with applicable laws and the standards, requirements, guidelines and recommendations of any governing or advisory body having authority to set standards relating to

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the operation of Hospital, or any nationally recognized accrediting organization that Hospital designates from time to time.

4.9 Contractor's Performance. County or Hospital, at its option and within its sole discretion, may seek evaluation of contractual performance by requesting input from Hospital's Medical Director/Chief Medical Officer and from other professionals within Hospital.

4.10 Right of Inspection. Upon reasonable prior written notice, Hospital and County officials and their designees may inspect the books and records of Contractor which are necessary to determine that work performed by Contractor or any Group Physician to patients hereunder is in accord with the requirements of this Agreement. Such inspection shall be made in a manner so as not to disrupt the operations of Hospital or Contractor.

4.11 Access to and Audit of Records. Hospital shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the Contractor and its subcontractors related to services provided under this Agreement. Pursuant to Government Code Section 8546.7, if this Agreement involves the expenditure of public funds in excess of Ten Thousand Dollars ($10,000), the Parties may be subject, at the request of Hospital or as part of any audit of Hospital, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three (3) years after final payment under the Agreement.

ARTICLE V.
TERM AND TERMINATION

5.1 Term. This Agreement shall become effective on April 1, 2022 (the **"Effective Date"**), and shall continue until March 31, 2024 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.

5.2 Termination by Hospital. Hospital shall have the right to terminate this Agreement upon the occurrence of any one or more of the following events:

(a) breach of this Agreement by Contractor or any Group Physician where the breach is not cured within thirty (30) calendar days after Hospital gives written notice of the breach to Contractor;

(b) neglect of professional duty by Contractor or any Group Physician in a manner that poses an imminent danger to the health or safety of any individual, or violates Hospital's policies, rules or regulations;

(c) there is a "substantial change" in Contractor which has not received prior written approval or subsequent ratification by Hospital. The retirement, withdrawal, termination, or suspension of one (1) or more Group Physicians of Contractor at any time during the term of this Agreement shall be considered to be a "substantial change" in Contractor only if there is a reduction in hours equivalent to in excess of one full-time Group Physician. Notwithstanding anything in the foregoing to the contrary, the retirement, withdrawal, termination, or suspension of any single Group Physician of Contractor shall not constitute a "substantial change" in Contractor as that term is used herein;

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(d) breach by Contractor or any Group Physician of any HIPAA Obligation (as defined in **Exhibit 6.3**);

(e) Contractor makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law of any jurisdiction;

(f) the insurance required to be maintained by Contractor under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or Contractor) for any reason, and Contractor has not obtained replacement coverage as required by this Agreement prior to the effective date of such termination, reduction, non-renewal or cancellation;

(g) Contractor is rendered unable to comply with the terms of this Agreement for any reason; or

(h) upon a sale of all or substantially all assets comprising Hospital's acute care hospital facility, any change of control in Hospital's organization, or any change in control of its day to day operations, whether through a membership change or by management contract. Hospital shall notify Contractor in writing of such sale or change of control at least thirty (30) days prior to the closing date of any such sale or the effective date of any such change of control.

5.3 Termination by Contractor. Contractor shall have the right to terminate this Agreement upon breach of this Agreement by Hospital where the breach is not cured within thirty (30) calendar days after Contractor gives written notice of the breach to Hospital.

5.4 Termination or Modification in the Event of Government Action.

(a) If the Parties receive notice of any Government Action, the Parties shall attempt to amend this Agreement in order to comply with the Government Action.

(b) If the Parties, acting in good faith, are unable to make the amendments necessary to comply with the Government Action, or, alternatively, if either Party determines in good faith that compliance with the Government Action is impossible or infeasible, this Agreement shall terminate ten (10) calendar days after one Party notices the other of such fact.

(c) For the purposes of this Section, **"Government Action"** shall mean any legislation, regulation, rule or procedure passed, adopted or implemented by any federal, state or local government or legislative body or any private agency, or any notice of a decision, finding, interpretation or action by any governmental or private agency, court or other third party which, in the opinion of counsel to Hospital, because of the arrangement between the Parties pursuant to this Agreement, if or when implemented, would:

(i) revoke or jeopardize the status of any health facility license granted to Hospital or any Affiliate of Hospital;

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(ii) revoke or jeopardize the federal, state or local tax-exempt status of Hospital or any Affiliate of Hospital, or their respective tax-exempt financial obligations;

(iii) prevent Contractor or any Group Physician from being able to access and use the facilities of Hospital or any Affiliate of Hospital;

(iv) constitute a violation of 42 U.S.C. Section 1395nn (commonly referred to as the Stark law) if Contractor or any Group Physician referred patients to Hospital or any Affiliate of Hospital;

(v) prohibit Hospital or any Affiliate of Hospital from billing for services provided to patients referred to by Contractor or any Group Physician;

(vi) subject Hospital or Contractor, any Group Physician, or any Affiliate of Hospital, or any of their respective employees or agents, to civil or criminal prosecution (including any excise tax penalty under Internal Revenue Code Section 4958), on the basis of their participation in executing this Agreement or performing their respective obligations under this Agreement; or

(vii) jeopardize Hospital's full accreditation with any accrediting organization as Hospital designates from time to time.

(d) For the purposes of this Agreement, **"Affiliate"** shall mean any entity which, directly or indirectly, controls, is controlled by, or is under common control with Hospital.

5.5 Termination without Cause. Either Party may terminate this Agreement without cause, expense or penalty, effective one hundred twenty (120) calendar days after written notice of termination is given to the other Party.

5.6 Effect of Termination or Expiration. Upon any termination or expiration of this Agreement:

(a) all rights and obligations of the Parties shall cease except (i) those rights and obligations that have accrued and remain unsatisfied prior to the termination or expiration of this Agreement, and (ii) those rights and obligations which expressly survive termination or expiration of this Agreement;

(b) upon Hospital's request, Contractor and any Group Physician shall immediately vacate the premises, removing any and all of Contractor's and Group Physicians' personal property, and Hospital may remove and store, at Contractor's expense, any personal property that either Contractor or any Group Physician has not so removed;

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(c) Contractor and Group Physicians shall immediately return to Hospital all of Hospital's property, including Hospital's equipment, supplies, furniture, furnishings and patient records, in Contractor's or Group Physicians' possession or under Contractor's or Group Physicians' control;

(d) Contractor and Group Physicians shall not do anything or cause any other person to do anything that interferes with Hospital's efforts to engage any other person or entity for the provision of the Services, or interferes in any way with any relationship between Hospital and any other person or entity who may be engaged to provide the Services to Hospital;

(e) The expiration or termination of this Agreement shall not entitle Contractor or Group Physicians to the right to a "fair hearing" or any other similar rights or procedures more particularly set forth in the Medical Staff bylaws or otherwise; and

(f) This Section 5.6 shall survive the expiration or termination for any reason of this Agreement.

5.7 Immediate Removal of Group Physicians. Contractor shall immediately remove any Group Physician from furnishing Services under this Agreement who:

(a) has his or her Medical Staff membership or clinical privileges at Hospital terminated, suspended, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(b) has his or her license to practice medicine in the State, DEA registration denied, suspended, restricted, terminated, revoked or relinquished for any reason, whether voluntarily or involuntarily, temporarily or permanently, regardless of the availability of civil or administrative hearing rights or judicial review with respect thereto;

(c) is convicted of a felony, a misdemeanor involving fraud, dishonesty, or moral turpitude, or any crime relevant to Professional Services or the practice of medicine;

(d) is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program or state equivalent;

(e) fails to satisfy any of the standards and qualifications set forth in Sections 1.4, 1.5, 1.7 and 1.9 of this Agreement; or

(f) fails to be covered by the professional liability insurance required to be maintained under this Agreement.

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5.8 Removal of Group Physicians upon Hospital Request. Upon written request by Hospital, Contractor shall immediately remove any Group Physician from furnishing Services under this Agreement who:

(a) engages in conduct that, in Hospital's good faith determination, jeopardizes the mental or physical health, safety or well-being of any person or damages the reputation of Hospital;

(b) fails to comply with any other material terms or conditions of this Agreement after being given written notice of that failure and a reasonable opportunity to comply;

(c) is unable to perform services as required under this Agreement for more than thirty (30) days in the aggregate over any three (3) month period; or

(d) within a twelve (12) month period, has two (2) or more medical malpractice judgments filed against him or her, or he or she becomes the subject of two (2) or more proceedings by the Medical Staff regarding the performance of professional medical services.

5.9 Effect of Removal. Upon the removal of a Group Physician pursuant to Section 5.7 or Section 5.8 of this Agreement, Contractor shall employ, contract with, or otherwise engage, at its cost and expense, a qualified substitute for the removed Group Physician, or shall demonstrate to Hospital's satisfaction Contractor's ability to continuously perform the Services without such a substitute. Failure to take such action shall constitute a material breach of this Agreement, subject to Section 5.2. Nothing herein shall be construed to limit Hospital's rights under Section 5.2 or any other provision of this Agreement.

5.10 Return of Property. Upon any termination or expiration of this Agreement, Contractor shall immediately return to Hospital all of Hospital's property, including Hospital's equipment, supplies, furniture, furnishings and patient records, which is in Contractor's or any Group Physician's possession or under Contractor's or any Group Physician's control.

5.11 Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the County for services that are to be provided under this Agreement, County, in its sole and absolute discretion after consultation with the Contractor, may elect to terminate this Agreement by giving written notice of termination to Contractor effective immediately or on such other date as County specifies in the notice. Alternatively, County and Contractor may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

ARTICLE VI.
GENERAL PROVISIONS

6.1 Amendment. This Agreement may be modified or amended only by mutual written agreement of the Parties. Any such modification or amendment must be in writing, dated and signed by the Parties and attached to this Agreement.

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6.2 Assignment. This Agreement is entered into by Hospital in reliance on the professional and administrative skills of Contractor. Contractor shall be solely responsible for providing the Services and otherwise fulfilling the terms of this Agreement, except as specifically set forth in this Agreement. Except for assignment by Hospital to an entity owned, controlled by, or under common control with Hospital, neither Party may assign any interest or obligation under this Agreement without the other Party's prior written consent. Subject to the foregoing, this Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns.

6.3 Compliance with HIPAA. Contractor and Group Physicians shall comply with the obligations under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.), as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, and all rules and regulations promulgated thereunder (collectively, **"HIPAA,"** the obligations collectively referred to herein as **"HIPAA Obligations"**), as set forth in **Exhibit 6.3**. The HIPAA Obligations shall survive the expiration or termination of this Agreement for any reason.

6.4 Compliance with Laws and Accreditation. Contractor and Group Physicians shall comply with all applicable laws, ordinances, codes and regulations of federal, state and local governments (collectively, **"Laws"**) applicable to Contractor and Group Physicians, the provision of the Services, or the obligations of Contractor and Group Physicians under this Agreement, including without limitation laws that require Contractor or any Group Physician to disclose any economic interest or relationship with Hospital. Contractor and Group Physicians shall take actions necessary to ensure that the Hospital and/or Clinic are operated in accordance with: all requirements of a nationally recognized accrediting organization that Hospital designates from time to time, all applicable licensing requirements, and all other relevant requirements promulgated by any federal, state or local agency.

6.5 Compliance with Medicare Rules. To the extent required by law or regulation, Contractor shall make available, upon written request from Hospital, the Secretary of Health and Human Services, the Comptroller General of the United States, or any duly authorized agent or representative, a copy of this Agreement and Contractor's books, documents and records. Contractor shall preserve and make available such books, documents and records for a period of ten (10) years after the end of the term of this Agreement, or the length of time required by state or federal law. If Contractor is requested to disclose books, documents or records pursuant to this Section for any purpose, Contractor shall notify Hospital of the nature and scope of such request, and Contractor shall make available, upon written request of Hospital, all such books, documents or records. Contractor shall indemnify and hold harmless Hospital if any amount of reimbursement is denied or disallowed because of Contractor's failure to comply with the obligations set forth in this Section. Such indemnity shall include, but not be limited to, the amount of reimbursement denied, plus any interest, penalties and legal costs. This Section shall survive the expiration or termination for any reason of this Agreement.

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If Contractor carries out any of the duties of the contract through a subcontract, with a value or cost of Ten Thousand Dollars ($10,000) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such Services pursuant to such subcontract, the related organization shall make available, upon written request by the Secretary, or upon request by the Comptroller General, or any of their duly authorized representatives, the subcontract and books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

6.6 Confidential Information.

(a) During the term of this Agreement, Contractor and Group Physicians may have access to and become acquainted with Trade Secrets and Confidential Information of Hospital. **"Trade Secrets"** includes information and data relating to payor contracts and accounts, clients, patients, patient groups, patient lists, billing practices and procedures, business techniques and methods, strategic plans, operations and related data. **"Confidential Information"** includes Trade Secrets and any information related to the past, current or proposed operations, business or strategic plans, financial statements or reports, technology or services of Hospital or any Affiliate that Hospital discloses or otherwise makes available in any manner to Contractor or Group Physicians, or to which Contractor or Group Physicians may gain access in the performance of the Services under this Agreement, or which Contractor or any Group Physician knows or has reason to know is confidential information of Hospital or any Affiliate; whether such information is disclosed orally, visually or in writing, and whether or not bearing any legend or marking indicating that such information or data is confidential. By way of example, but not limitation, Confidential Information includes any and all know-how, processes, manuals, confidential reports, procedures and methods of Hospital, any Hospital patient's individually identifiable health information (as defined under HIPAA), and any information, records and proceedings of Hospital and/or Medical Staff committees, peer review bodies, quality committees and other committees or bodies charged with the evaluation and improvement of the quality of care. Confidential Information also includes proprietary or confidential information of any third party that may be in Hospital's or any Affiliate's possession.

(b) Confidential Information shall be and remain the sole property of Hospital, and shall, as applicable, be proprietary information protected under the Uniform Trade Secrets Act. Neither Contractor nor any Group Physician shall use any Confidential Information for any purpose not expressly permitted by this Agreement, or disclose any Confidential Information to any person or entity, without the prior written consent of Hospital. Contractor and Group Physicians shall protect the Confidential Information from unauthorized use, access, or disclosure in the same manner as Contractor and any Group Physician protects his, her, or its own confidential or proprietary information of a similar nature and with no less than reasonable care. All documents that Contractor and Group Physicians prepare, or Confidential Information that might be given to Contractor in the course of providing Services under this Agreement, are the exclusive property of Hospital, and, without the prior written consent of Hospital, shall not be removed from Hospital's premises.

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(c) Contractor and Group Physicians shall return to Hospital all Confidential Information and all copies thereof in Contractor's and Group Physicians' possession or control, and permanently erase all electronic copies of such Confidential Information, promptly upon the written request of Hospital, or the termination or expiration of this Agreement. Neither Contractor nor any Group Physician shall copy, duplicate or reproduce any Confidential Information without the prior written consent of Hospital.

(d) This Section shall survive the expiration or termination of this Agreement.

6.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6.8 Disclosure of Interests. Contractor or any Group Physician shall provide to Hospital, as requested by Hospital from time to time, information sufficient to disclose any ownership, investment or compensation interest or arrangement of Contractor, or any of Contractor's or any Group Physician's immediate family members, in any entity providing "designated health services" (as such term is defined in the Stark Law (42 U.S.C. Section 1395nn) and its regulations) or any other health care services. This Section shall not impose on Hospital any disclosure or reporting requirements or obligations imposed on Contractor or any Group Physician under any governmental program or create an assumption of such disclosure obligations by Hospital. Contractor and Group Physicians shall have the sole responsibility to fulfill any such federal and/or state reporting requirements or obligations.

6.9 Dispute Resolution. In the event of any dispute, controversy, claim or disagreement arising out of or related to this Agreement or the acts or omissions of the Parties with respect to this Agreement (each, a **"Dispute"**), the Parties shall resolve such Dispute as follows:

(a) **Meet and Confer.** The Parties shall, as soon as reasonably practicable, but in no case more than ten (10) days after one Party gives written notice of a Dispute to the other Party (the **"Dispute Notice"**), meet and confer in good faith regarding such Dispute at such time and place as mutually agreed upon by the Parties (the **"Meet and Confer"**). The obligation to conduct a Meet and Confer pursuant to this Section does not obligate either Party to agree to any compromise or resolution of the Dispute that such Party does not determine, in its sole and absolute discretion, to be a satisfactory resolution of the Dispute. The Meet and Confer shall be considered a settlement negotiation for the purpose of all applicable Laws protecting statements, disclosures or conduct in such context, and any offer in compromise or other statements or conduct made at or in connection with any Meet and Confer shall be protected under such Laws.

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(b) **Arbitration.** If any Dispute is not resolved to the mutual satisfaction of the Parties within ten (10) business days after delivery of the Dispute Notice (or such other period as may be mutually agreed upon by the Parties in writing), the Parties shall submit such Dispute to arbitration conducted by Judicial Arbitration and Mediation Services, Inc. (**"JAMS"**), or other arbitration and/or mediation services company as agreed to by the Parties, in accordance with the following rules and procedures:

(i) Each Party may commence arbitration by giving written notice to the other Party demanding arbitration (the **"Arbitration Notice"**). The Arbitration Notice shall specify the Dispute, the particular claims and/or causes of actions alleged by the Party demanding arbitration, and the factual and legal basis in support of such claims and/or causes of action.

(ii) The arbitration shall be conducted in the County in which the Hospital is located and in accordance with the commercial arbitration rules and procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) to the extent such rules and procedures are not inconsistent with the provisions set forth in this Section. In the event of a conflict between any rules and/or procedures of JAMS (or other arbitration company as mutually agreed to by the Parties) and the rules and/or procedures set forth in this Section, the rules and/or procedures set forth in this Section shall govern.

(iii) The arbitration shall be conducted before a single impartial retired member of the JAMS panel of arbitrators (or panel of arbitrators from such other arbitration company as mutually agreed to by the Parties) covering the County in which the Hospital is located (the **"Panel"**). The Parties shall use their good faith efforts to agree upon a mutually acceptable arbitrator within thirty (30) days after delivery of the Arbitration Notice. If the Parties are unable to agree upon a mutually acceptable arbitrator within such time period, then each Party shall select one arbitrator from the Panel, and those arbitrators shall select a single impartial arbitrator from the Panel to serve as arbitrator of the Dispute.

(iv) The Parties expressly waive any right to any and all discovery in connection with the arbitration; provided, however, that each Party shall have the right to conduct no more than two (2) depositions and submit one set of interrogatories with a maximum of forty (40) questions, including subparts of such questions.

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(v) The arbitration hearing shall commence within thirty (30) days after appointment of the arbitrator. The substantive internal law (and not the conflict of laws) of the State shall be applied by the arbitrator to the resolution of the Dispute, and the Evidence Code of the State shall apply to all testimony and documents submitted to the arbitrator. The arbitrator shall have no authority to amend or modify the limitation on the discovery rights of the Parties or any of the other rules and/or procedures set forth in this Section. As soon as reasonably practicable, but not later than thirty (30) days after the arbitration hearing is completed, the arbitrator shall arrive at a final decision, which shall be reduced to writing, signed by the arbitrator and mailed to each of the Parties and their respective legal counsel.

(vi) Any Party may apply to a court of competent jurisdiction for entry and enforcement of judgment based on the arbitration award. The award of the arbitrator shall be final and binding upon the Parties without appeal or review except as permitted by the Arbitration Act of the State.

(vii) The fees and costs of JAMS (or other arbitration company as mutually agreed to by the Parties) and the arbitrator, including any costs and expenses incurred by the arbitrator in connection with the arbitration, shall be borne equally by the Parties, unless otherwise agreed to by the Parties.

(viii) Except as set forth in Section 6.9(b)(vii), each Party shall be responsible for the costs and expenses incurred by such Party in connection with the arbitration, including its own attorneys' fees and costs; provided, however, that the arbitrator shall require one Party to pay the costs and expenses of the prevailing Party, including attorneys' fees and costs and the fees and costs of experts and consultants, incurred in connection with the arbitration if the arbitrator determines that the claims and/or position of a Party were frivolous and without reasonable foundation.

(c) **Waiver of Injunctive or Similar Relief.** The Parties hereby waive the right to seek specific performance or any other form of injunctive or equitable relief or remedy arising out of any Dispute, except that such remedies may be utilized for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Except as expressly provided herein, upon any determination by a court or by an arbitrator that a Party has breached this Agreement or improperly terminated this Agreement, the other Party shall accept monetary damages, if any, as full and complete relief and remedy, to the exclusion of specific performance or any other form of injunctive or equitable relief or remedy.

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(d) **Injunctive or Similar Relief.** Notwithstanding anything to the contrary in this Section, the Parties reserve the right to seek specific performance or any other form of injunctive relief or remedy in any state or federal court located within the County in which the Hospital is located for purposes of enforcing this Section and sections governing Confidential Information, Compliance with HIPAA, Compliance with Laws and Accreditation and Compliance with Medicare Rules of this Agreement. Contractor hereby consents to the jurisdiction of any such court and to venue therein, waives any and all rights under the Laws of any other state to object to jurisdiction within the State, and consents to the service of process in any such action or proceeding, in addition to any other manner permitted by applicable Law, by compliance with the notices provision of this Agreement. The non-prevailing Party in any such action or proceeding shall pay to the prevailing Party reasonable fees and costs incurred in such action or proceeding, including attorneys' fees and costs and the fees and costs of experts and consultants. The prevailing Party shall be the Party who is entitled to recover its costs of suit (as determined by the court of competent jurisdiction), whether or not the action or proceeding proceeds to final judgment or award.

(e) **Survival.** This Section shall survive the expiration or termination of this Agreement.

6.10 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties. No other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

6.11 Exhibits. The attached exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

6.12 Force Majeure. Neither Party shall be liable for nonperformance or defective or late performance of any of its obligations under this Agreement to the extent and for such periods of time as such nonperformance, defective performance or late performance is due to reasons outside such Party's control, including acts of God, war (declared or undeclared), terrorism, action of any governmental authority, civil disturbances, riots, revolutions, vandalism, accidents, fire, floods, explosions, sabotage, nuclear incidents, lightning, weather, earthquakes, storms, sinkholes, epidemics, failure of transportation infrastructure, disruption of public utilities, supply chain interruptions, information systems interruptions or failures, breakdown of machinery or strikes (or similar nonperformance, defective performance or late performance of employees, suppliers or subcontractors); provided, however, that in any such event, each Party shall use its good faith efforts to perform its duties and obligations under this Agreement.

6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State.

6.14 Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

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6.15 Litigation Consultation. Contractor shall ensure that no Group Physician accepts consulting assignments or otherwise contract, agree, or enter into any arrangement to provide expert testimony or evaluation on behalf of a plaintiff in connection with any claim against Hospital or any Affiliate named, or expected to be named as a defendant. Contractor shall ensure that no Group Physician accepts similar consulting assignments if (a) the defendants or anticipated defendants include a member of the medical staff of Hospital or any Affiliate, and (b) the matter relates to events that occurred at Hospital or any Affiliate; provided, however, the provisions of this Section shall not apply to situations in which a Group Physician served as a treating physician.

6.16 Master List. The Parties acknowledge and agree that this Agreement, together with any other contracts between Hospital and Contractor, will be included on the master list of physician contracts maintained by Hospital.

6.17 Meaning of Certain Words. Wherever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine, or neuter forms, and the singular form of nouns shall include the plural and vice versa. Unless otherwise specified: (i) "days" shall be considered "calendar days;" (ii) "months" shall be considered "calendar months;" and (iii) "including" means "including, without limitation" in this Agreement and its exhibits and attachments.

6.18 New Group Physicians. Each new Group Physician shall agree in writing to be bound by the terms of and conditions of this Agreement.

6.19 No Conflicting Obligations. Contractor represents and warrants that the execution and delivery of this Agreement and the performance of its obligations hereunder do not and will not: (a) present a conflict of interest or materially interfere with the performance of Contractor's duties under any other agreement or arrangement; or (b) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice and/or lapse of time, would constitute a default) under, terminate, accelerate the performance required by, or result in a right of termination or acceleration under any of the terms, conditions or provisions of any other agreement, indebtedness, note, bond, indenture, security or pledge agreement, license, franchise, permit, or other instrument or obligation to which Contractor is a party or by which Contractor is bound. Contractor shall immediately inform Hospital of any other agreements to which Contractor is a party that may present a conflict of interest or materially interfere with performance of Contractor's or Group Physicians' duties under this Agreement.

6.20 No Third Party Beneficiary Rights. The Parties do not intend to confer and this Agreement shall not be construed to confer any rights or benefits to any person, firm, group, corporation or entity other than the Parties.

6.21 Notices. All notices or communications required or permitted under this Agreement shall be given in writing and delivered personally or sent by United States registered or certified mail with postage prepaid and return receipt requested or by overnight delivery service (e.g., Federal Express, DHL). Notice shall be deemed given when sent, if sent as

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specified in this Section, or otherwise deemed given when received. In each case, notice shall be delivered or sent to:

If to Hospital, addressed to:

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906
Attention: Chief Medical Officer

If to Contractor, addressed to:

SOC Telemed
2411 Dulles Corner Park, Suite 475
Herndon, VA 20171
Jeremy Hardin

6.22 Participation in Federal Health Care Programs. Contractor hereby represents that neither it nor any Group Physician is debarred, suspended, excluded or otherwise ineligible to participate in any Federal Health Care Program.

6.23 Representations. Each Party represents with respect to itself that: (a) no representation or promise not expressly contained in this Agreement has been made by any other Party or by any Parties' agents, employees, representatives or attorneys; (b) this Agreement is not being entered into on the basis of, or in reliance on, any promise or representation, expressed or implied, other than such as are set forth expressly in this Agreement; and (c) Party has been represented by legal counsel of Party's own choice or has elected not to be represented by legal counsel in this matter.

6.24 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

6.25 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

6.26 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

[*signature page follows*]

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The Parties have executed this Agreement on the date first above written, and signify their agreement with duly authorized signatures.

CONTRACTOR

TELE-PHYSICIANS, P.C., a California professional corporation

DocuSigned by:
By: Jeremy Hardin Date: 3/3/2022 | 4:24 PM EST
29D128EB0D27481...
Its SVP, Finance

DocuSigned by:
By: Jeremy Hardin Date: 3/3/2022 | 4:24 PM EST
29D128EB0D27481...
Its SVP, Finance

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles Harris Date: 3/25/2022 | 4:33 PM PDT
4E1F837D204E481...
Deputy Purchasing Agent

APPROVED AS TO LEGAL FORM:

DocuSigned by:
Stacy Saetta Date: 3/3/2022 | 1:55 PM PST
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Joey Nolasco Date: 3/4/2022 | 9:57 AM PST
F60C442ED05B437...
Deputy Auditor/Controller

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Exhibit 1.1

PROFESSIONAL SERVICES

1. Contractor shall ensure a Group Physician is available to provide the Professional Services as set forth in this **Exhibit 1.1** rendered by means of medical information exchanged via electronic communications by and between any Hospital treating physician and any Group Physician or with assistance of designated clinical representative. Such Professional Services shall include, without limitation:

a. indirect physical examination, history taking, diagnostic protocols (paper and/or computer driven), imaging analysis and recommendations for therapeutic interventions and/or diagnostic tests for any neurologic emergencies. Hospital shall ensure that an appropriate healthcare provider (physician, NP, PA, or specifically trained RN) is available at the bedside at the time of the consult to assist with the physical exam. If Group Physician initiates the consult and the Hospital healthcare provider is not present, the consult will not be completed and Hospital will be charged fifty percent (50%) of the per consult fee set forth in **Exhibit 2.1**; and

b. videoconferencing and teleconferencing, including the discussions between the Group Physician and the patient, the patient's family members and/or adult(s) accompanying the patient regarding any neurologic emergency.

2. The transmission of still images and of vital signs to provide Hospital's physicians with assistance with diagnosis and therapy for specific Patients with neurologic emergencies is also a part of Group Physicians' obligations under this Agreement. Review of information may include, results, images, reports or records in synchronous (video chat/screen share) or asynchronous (file/document/video recording review). In no case does any Group Physician assume the primary responsibility for the care of the Patient. Group Physicians shall transmit the results of their assessment and recommendation to the Patient's attending physician within approximately thirty (30) minutes after the evaluation is completed.

3. Contractor shall ensure that Group Physicians respond for consultation for time-sensitive neurologic emergencies ("**Emergency Consults**") under this Agreement, regardless of patient location within the Hospital, pursuant to Hospital Rules.

a. For Emergency Consults, Group Physicians shall respond within thirty (30) minutes, via telephone or videoconference, as determined in consultation with the Patient's attending physician subject to the equipment being made available by Hospital. These Emergency Consults may be generated from any patient care location in the Hospital.

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b. For non-time-dependent Emergency Consults for emergency department ("ED") Patients, Group Physicians shall respond based on the criteria and timeframes pursuant to Hospital Rules; provided, however, that Group Physicians provide such non-time-dependent Emergency Consults within three (3) hours.

4. In the event that any Consult (as defined in **Exhibit 2.1**) provided by a Group Physician under this Agreement requires a follow-up within twenty-four (24) hours (e.g. discussion regarding medication dosing, clarification of recommendation, need to answer specific questions for staff or family), Contractor shall ensure that such Group Physician responds without any additional compensation to Contractor. If it has been greater than twenty-four (24) hours since the last Consult on any given Patient, or the subsequent request for Professional Services results in the need for a full examination or supplemental recommendations, then the completion of the Consult will result in an additional compensation to Contractor if such Consult exceeds the number of Consults covered by the Minimum Monthly Fee as set forth in **Exhibit 2.1**. All requests to see a Patient on a routine or scheduled basis after the completion of an Emergency Consult will result in an additional charge to Hospital.

5. The Parties acknowledge that clinical variability is inherent in the practice of medicine. Contractor shall make best efforts to respond to variability in patient presentations for specific conditions and changes in patient status over time.

6. Between 8:00 am and 5:00 pm PT, Monday – Friday, and 8:00 am and 12:00 pm PT on Saturday, Sunday and federal holidays, Contractor shall use best efforts to provide the Professional Services on the same day when the request is made by 12:00 pm PT Monday through Friday, or 10:00 am PT on Saturday, Sunday or federal holiday. If requests are made after 12:00 pm PT or 10:00 am PT on Saturday, Sunday or federal holiday, Contractor shall ensure that a Group Physician is available for next-day scheduled consults (within twenty-four (24) hours of the request) (**"Scheduled Consults"**). Patients who qualify for Scheduled Consults include the following:

a. Patients admitted to the Hospital, primarily located on the floor or the intensive care unit ("ICU");

b. Patients in the Hospital under an observation status, who are pending admission to the floor or the ICU; and

c. Patients being held in the ED, admitted under observation status, or admitted under inpatient status under the care of a member of the Medical Staff and with an acute or chronic neurologic condition requiring neurologic expertise. Representative conditions are outlined within Contractor's current workflow training materials.

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Exhibit 1.3

ADDITIONAL SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor shall:

1. participate in utilization review programs, as reasonably requested by Hospital;

2. participate in risk management, quality assurance and peer review programs, as reasonably requested by Hospital;

3. accept third party insured patients and referrals of patients which are made by members of the Medical Staff, subject only to the limitations of scheduling and Contractor's professional qualifications;

4. assist Hospital in monitoring and reviewing the clinical performance of health care professionals who provide services to Hospital's patients; including reviewing incident reports and patient satisfaction studies relevant to the Specialty, and assisting Hospital in implementing any necessary corrective actions to address any issues identified during the course of such review;

5. assist in monitoring the performance of those professionals who are not meeting Hospital quality and/or performance standards, including, without limitation, direct observation of the provision of care by such professionals, and in disciplining any professionals who continue poor performance, recognizing that the Hospital Board of Directors is ultimately responsible for maintaining the standards of care provided to patients;

6. assist Hospital management with all preparation for, and conduct of, any inspections and on-site surveys of Hospital or Clinic conducted by governmental agencies or accrediting organizations;

7. cooperate with Hospital in all litigation matters affecting Contractor or Hospital, consistent with advice from Contractor's legal counsel;

8. cooperate and comply with Hospital's policies and procedures which are pertinent to patient relations, quality assurance, scheduling, billing, collections and other administrative matters and cooperate with Hospital's efforts to bill and collect fees for services rendered to Hospital's patients. All business transactions related to the Services provided by Contractor, such as enrollment, verification and billings, shall be conducted by and in the name of Hospital; and

9. assist Hospital in developing, implementing and monitoring a program by which quality measures are reportable to Hospital with respect to the Specialty.

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Exhibit 1.8

Natividad MEDICAL CENTER

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 08/11
Standard: MSP004-2	**Approved: MEC** 08/11 **BOT** 09/11

As a member of the Medical Staff or an Allied Health Professional (AHP) of Natividad Medical Center (NMC) (collectively Practitioners), I acknowledge that the ability of Practitioners and NMC employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team. I recognize that patients, family members, visitors, colleagues and NMC staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of NMC, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at NMC, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the NMC health care team.

2. Recognize the individual and independent responsibilities of all other members of the NMC health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, NMC employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Contribute to the overall educational mission of NMC.

6. Reflect positively upon the reputation of the health care profession, the Medical Staff, and NMC in their language, action, attitude, and behavior.

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Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior. Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of NMC, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at NMC, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the NMC health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude and behavior which consistently convey to patients, families, colleagues, and all other members of the NMC health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all NMC professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post-discharge planning and follow-up.

6. Respect the right of patients, families or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within NMC with courtesy, respect, and human dignity.

8. Conduct one’s practice at NMC in a manner that will facilitate timely commencement of medical/surgical procedures at NMC, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of NMC owned property.

2. Falsification of medical records, including timekeeping records and other NMC documents.

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3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or NMC employees should be reported on a NMC Quality Review Report form and submitted pursuant to NMC policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

    b. Harassing conduct includes, but is not limited to:

        1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

        2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on NMC's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects;

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10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages;

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling or shouting at a person, or threatening violence or retribution;

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of NMC staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at NMC who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident on a NMC Quality Review Report form.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

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Exhibit 1.17(a)

GROUP PHYSICIANS/GROUP PROVIDERS

[List Approved Group Physicians Below]

Group Physician	NPI Number

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Exhibit 1.17(a)

GROUP PHYSICIANS/GROUP PROVIDERS

[List Approved Group Physicians Below]

Group Physician	NPI Number
Maria Alexianu, MD	1235109059
Andrew Barbash, MD	1154461598
Tamara Barghouthi, MD	1245658756
Warren Carrigan, MD	1326282153
Theodore Faber, MD	1558372995
Mason Gasper, DO	1245211788
Reshma Gokaldas, MD	1083015846
Mohini Gurme, MD	1316173156
Aaron Heide, MD	1891722773
Susanna Horvath, MD	1700854809
Arshad Iqbal, MD	1174564983
Davit Mrelashvili, MD	1760539555
Brigitte Prinzivalli-Rolfe, MD	1447465489
Todd Samuels, MD	1467452490
Panna Shah, MD	1780659763
Christie Tung, MD	1972779940
Michael Vecchione, DO	1285722314
Quang Vu, MD	1952745705

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Exhibit 1.17(f)

LETTER OF ACKNOWLEDGEMENT

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906

Ladies and Gentlemen:

I acknowledge that NATIVIDAD MEDICAL CENTER (***"Hospital"***) and (***"Contractor"***) have entered into a Professional and Call Coverage Services Agreement (***"Agreement"***) under which Contractor shall perform specified Services (as defined in the Agreement), and that I have been engaged by Contractor to provide Professional Services as a ***"Group Physician"*** (as defined in the Agreement). In consideration of Hospital's approval of me as a Group Physician eligible to furnish the Services, I expressly:

1. Acknowledge that I have read those portions of the Agreement referenced in this Letter of Acknowledgement, and agree to abide by and comply with all of the requirements of the Agreement applicable to Group Physicians;

2. Acknowledge that I have read the Code, and agree to abide by and comply with the Code as they relate to my business relationship with Hospital or any Affiliates, subsidiaries, employees, agents, servants, officers, directors, contractors and suppliers of every kind;

3. Acknowledge that I have no employment, independent contractor or other contractual relationship with Hospital, that my right to practice at Hospital as a Group Physician is derived solely through my employment or contractual relationship with Contractor;

4. Acknowledge that upon the expiration or termination of the Agreement for any reason, or the termination of my employment or other affiliation with Contractor for any reason, my clinical privileges to provide Professional Services and my Medical Staff membership if such clinical privileges are the only privileges I hold, will each immediately be relinquished, without any action on the part of Hospital and/or the Medical Staff;

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5. Acknowledge that, with regard to all of the foregoing, I will not be entitled to any "fair hearing" or any other hearing or appellate review under any provision of the Medical Staff Bylaws, unless Hospital determines that my removal, or the termination of my right to provide Professional Services, as applicable, is reportable to any state's medical board or other agency responsible for professional licensing, standards or behavior, and hereby waive any right to demand or otherwise initiate any such hearing or appellate review under any provision of the Medical Staff Bylaws.

Sincerely,

_____

[Name of Group Physician]

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Exhibit 2.1

COMPENSATION

1. **Minimum Monthly Fee.** Hospital shall pay Contractor the Minimum Monthly Fee identified as Tier 5 below for Emergency Consults or Scheduled Consults (collectively, **"Consults"**) provided under this Agreement. Hospital may choose to change the Tier upon forty-five (45) days prior written notice, once the previous Tier selection has been in place for ninety (90) days. Any requested change in the selected Tier will be effective on the first day of the month following expiration of the notice period.

Tier	Consults Included	Minimum Monthly Fee	Rate per Consult above # of Consults covered by the Minimum Monthly Fee
1	Includes 5 Consults per month	$3,500	$900
2	Includes 10 Consults per month	$6,000	$800
3	Includes 15 Consults per month	$8,250	$700
4	Includes 25 Consults per month	$12,500	$600
5	Includes 40 Consults per month	$18,000	$550
6	Includes 55 Consults per month	$23,350	$500

In the event that the number of Scheduled Consults exceed fifteen percent (15%) of the total number of Consults requested in a given month, then all Scheduled Consults above fifteen percent (15%) of the total shall be billed at a rate of One Thousand Dollars ($1,000) per Scheduled Consult for that month, not to exceed Seventy-Two Thousand Dollars ($72,000) per year.

2. **Timing.** Hospital shall pay the compensation due for Services performed by Contractor after Contractor's submission of the monthly invoice of preceding month's activity in accordance with this Agreement; provided, however, that if Contractor does not submit an invoice within sixty (60) days of the end of the month during which Services were performed, Hospital shall not be obligated to pay Contractor for Services performed during that month. The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".

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Exhibit 6.3

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective April 1, 2022 ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Tele-Physicians, P.C. ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

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2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law , or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

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(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

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(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

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(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R.
§ 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

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4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

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5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

SOC Telemed

2411 Dulles Corner Park, Suite 475

Herndon, VA 20171

Attn: Jeremy Hardin

Phone: 703-225-7124

Fax: n/a

If to Covered Entity, to:

NATIVIDAD MEDICAL CENTER
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906
Attention: Compliance Officer
Phone: 831.755.4111
Fax: 831.755.6297

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

DocuSign Envelope ID: 36EBB4D0-4F54-46C4-B948-14A1441AB6C3

5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

DocuSign Envelope ID: 36EBB4D0-4F54-46C4-B948-14A1441AB6C3

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

TELE-PHYSICIANS, P.C.

DocuSigned by:

By: Jeremy Hardin
29D128EB0D27481...

Print Name: Jeremy Hardin

Print Title: SVP, Finance

Date: 3/3/2022 | 4:24 PM EST

COUNTY OF MONTEREY, ON BEHALF OF
NATIVIDAD MEDICAL CENTER

DocuSigned by:

By: Charles Harris
4E1F837D204E481...

Print Name: Dr. Charles R. Harris

Print Title: Interim Chief Executive Officer

Date: 3/25/2022 | 4:33 PM PDT

County of Monterey

Board Report

Legistar File Number: A 25-343

Item No.20

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/8/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-17319) with META Dynamic, Inc. for rental of neurosurgery equipment plus associated services, extending the agreement an additional one (1) year period (April 15, 2026 through April 14, 2027) for a revised full agreement term of April 15, 2024, through April 14, 2027, and adding $200,000 for a revised total agreement amount not to exceed $500,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-17319) with META Dynamic, Inc. for rental of neurosurgery equipment plus associated services, extending the agreement an additional one (1) year period (April 15, 2026 through April 14, 2027) for a revised full agreement term of April 15, 2024, through April 14, 2027, and adding $200,000 for a revised total agreement amount not to exceed $500,000.

SUMMARY/DISCUSSION:

Intraoperative image guided navigational surgery (IGS) allows the surgeon to operate within a surgical site whose standard anatomical landmarks may be ambiguous because of tumor, infection, fracture or previous surgery. Studies suggest that IGS may result in decreased complications, increased disease removal, decreased length of stay and in some cases decreased operative time.

Meta Dynamic supplies the Neuro Navigation system which includes the equipment, hardware and software to perform image guided neurosurgery. Digital patient data is uploaded from the computed tomography (CT) or magnetic resonance imaging (MRI) located at Natividad Medical Center to the Neuro Navigation system in the Operating Room (OR) assisting the surgeon in identifying the right surgical approach and more specifically landmarks. Surgeons are guided through procedures with real time data allowing for smaller skull and back (spine surgery) incisions thereby minimizing damage to healthy structures. With the universal instrument holder (VarioGuide™), preplanned trajectories can be targeted systematically within seconds and anytime during the surgery.

The equipment arrives from Meta Dynamic within twenty-four (24) hours of surgery. The Meta Dynamic technician arrives within one (1) hour of surgery and sets up the equipment. The technician assists the surgeon with the operation of the equipment. The equipment and services provided by Meta Dynamic have aided Natividad's surgical staff tremendously in performing complex surgeries and it utilized quite a bit. This amendment is to add funds to the agreement to cover current costs and includes enough additional which is projected to last through expiration of the agreement.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this amendment No. 2 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 2 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this amendment No. 2 is $200,000 of which $200,000 is included in the FY 2025-26 Adopted Budget. Amounts for remaining year of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6821.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement supports the Board of Supervisor's strategic initiative to "improve the health and quality of life through County supported programs and services" by providing the technology necessary for these types of procedures to be performed locally, keeping families at home.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Wally Sayles, Surgical Services Director, 772-7771
Approved by: Charles R. Harris, Chief Executive Officer, 783-2504

Attachments:
Meta Dynamic, Inc Amendment No. 2
Meta Dynamic, Inc Amendment No. 1
Meta Dynamic, Inc Agreement

Attachments on file with the Clerk of the Board

Introduced: 8/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-17319) with META Dynamic, Inc. for rental of neurosurgery equipment plus associated services, extending the agreement an additional one (1) year period (April 15, 2026 through April 14, 2027) for a revised full agreement term of April 15, 2024, through April 14, 2027, and adding $200,000 for a revised total agreement amount not to exceed $500,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-17319) with META Dynamic, Inc. for rental of neurosurgery equipment plus associated services, extending the agreement an additional one (1) year period (April 15, 2026 through April 14, 2027) for a revised full agreement term of April 15, 2024, through April 14, 2027, and adding $200,000 for a revised total agreement amount not to exceed $500,000.

SUMMARY/DISCUSSION:

Intraoperative image guided navigational surgery (IGS) allows the surgeon to operate within a surgical site whose standard anatomical landmarks may be ambiguous because of tumor, infection, fracture or previous surgery. Studies suggest that IGS may result in decreased complications, increased disease removal, decreased length of stay and in some cases decreased operative time.

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Dynamic technician arrives within one (1) hour of surgery and sets up the equipment. The technician assists the surgeon with the operation of the equipment. The equipment and services provided by Meta Dynamic have aided Natividad's surgical staff tremendously in performing complex surgeries and it utilized quite a bit. This amendment is to add funds to the agreement to cover current costs and includes enough additional which is projected to last through expiration of the agreement.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this amendment No. 2 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 2 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this amendment No. 2 is $200,000 of which $200,000 is included in the FY 2025-26 Adopted Budget. Amounts for remaining year of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6821.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The services rendered in this agreement supports the Board of Supervisor's strategic initiative to "improve the health and quality of life through County supported programs and services" by providing the technology necessary for these types of procedures to be performed locally, keeping families at home.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Wally Sayles, Surgical Services Director, 772-7771
Approved by: Charles R. Harris, Chief Executive Officer, 783-2504

Attachments:
Meta Dynamic, Inc Amendment No. 2
Meta Dynamic, Inc Amendment No. 1
Meta Dynamic, Inc Agreement

Attachments on file with the Clerk of the Board

Docusign Envelope ID: 8EAA734B-473B-4576-B199-A11EDBA15F8A

Agreement A-17319

AMENDMENT NO. 2
TO SERVICES AGREEMENT
BETWEEN META DYNAMIC, INC. AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
RENTAL OF GUIDED SURGERY EQUIPMENT AND SERVICES.

This Amendment No. 2 to the Services Agreement ("Agreement") which was effective on April 15, 2024 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and META Dynamic, Inc. ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for Rental of Guided Surgery Equipment and Services with a term April 15, 2024 through April 14, 2026 and a total Agreement amount not to exceed $200,000; and

WHEREAS, COUNTY and CONTRACTOR amended the Agreement on June 6, 2025 via Amendment No. 1 with no changes to the Agreement term and no changes to the original scope of work with a $100,000 increase for a revised total Agreement amount not to exceed $300,000; and

WHEREAS, COUNTY and CONTRACTOR currently wish to amend the Agreement to extend it for an additional one (1) year period through April 14, 2027 for a revised full Agreement term of April 15, 2024 through April 14, 2027 with no changes to the original scope of work and with a $200,000 increase for a revised total Agreement amount not to exceed $500,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement and in Amendment No. 1 and Amendment No. 2 incorporated herein by this reference, except as specifically set forth below.

1. Section 2 / Paragraph titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $500,000."

2. The first sentence of Section 3 /Paragraph titled, "TERM OF AGREEMENT" shall be amended to the following:
   "The term of this Agreement is from April 15, 2024 through April 14, 2027 unless sooner terminated pursuant to the terms of this Agreement."

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 2 and shall continue in full force and effect as set forth in the Agreement and Amendment No. 1.

4. A copy of this Amendment No. 2 shall be attached to the Agreement.

5. This Amendment No. 2 shall be effective when signed by both Parties.

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~ Signature page to follow ~

Docusign Envelope ID: 8EAA734B-473B-4576-B199-A11EDBA15F8A

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 2 on the basis set forth in this document and have executed this Amendment No. 2 on the day and year set forth herein.

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta 696D21D44C4341D...
Monterey County Deputy County Counsel

Date: 7/30/2025 | 6:55 PM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 7/31/2025 | 10:30 AM PDT

CONTRACTOR

Meta Dynamic, Inc.
CONTRACTOR's Business Name
See instructions below

By: DocuSigned by: Evan Pfleider 8BF1AC2CD0A54CA...
(Signature of: Chair, President, or Vice-President)

Evan Pfleider President
Name and Title

Date: 7/15/2025 | 6:34 PM PDT

By: DocuSigned by: Rick Christensen D60965B2F1784E8...
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Rick Christensen CFO
Name and Title

Date: 7/16/2025 | 7:53 AM PDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Kate Daniels to:

Agreement No.: A-17319
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement with META Dynamic, Inc. for rental of neurosurgery equipment plus associated services, with no changes to the agreement term (April 15, 2024 through April 14, 2026) and adding $100,000 for a revised total agreement amount not to exceed $300,000.

PASSED AND ADOPTED on this 3rd day of June 2025, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew and Daniels
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting June 3, 2025.

Dated: June 5, 2025
File ID: A 25-165
Agenda Item No.: 20

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

Docusign Envelope ID: BB9B3A7A-8E1A-416D-AFB9-2BA4E2A987CE

AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN META DYNAMIC, INC. AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
RENTAL OF GUIDED SURGERY EQUIPMENT AND SERVICES.

This Amendment No. 1 to the Services Agreement ("Agreement") which was effective on April 15, 2024 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and META Dynamic, Inc. ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for Rental of Guided Surgery Equipment and Services with a term April 15, 2024 through April 14, 2026 and a total Agreement amount not to exceed $200,000; and

WHEREAS, COUNTY and CONTRACTOR currently wish to amend the Agreement with no changes to the Agreement term of April 15, 2024 through April 14, 2026 and no changes to the original scope of work with a $100,000 increase for a revised total Agreement amount not to exceed $300,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement and in Amendment No. 1 incorporated herein by this reference, except as specifically set forth below.

1. Section 2 / Paragraph titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $300,000."

2. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Agreement.

3. A copy of this Amendment No. 1 shall be attached to the Agreement.

4. This Amendment No. 1 shall be effective when signed by both Parties.

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~ Signature page to follow ~

Docusign Envelope ID: BB9B3A7A-8E1A-416D-AFB9-2BA4E2A987CE

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 1 on the basis set forth in this document and have executed this Amendment No. 1 on the day and year set forth herein.

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

DocuSigned by:
By: Charles Harris
4E1F837D204E481...
Charles R. Harris, CEO

Date: 6/6/2025 | 8:40 AM PDT

APPROVED AS TO LEGAL PROVISIONS

Signed by:
By: Stacy Saetta
696D21D44C4341D...
Monterey County Deputy County Counsel

Date: 4/22/2025 | 9:08 PM PDT

APPROVED AS TO FISCAL PROVISIONS

DocuSigned by:
By: Patricia Ruiz
E79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 4/23/2025 | 7:42 AM PDT

CONTRACTOR

Meta Dynamic, Inc.
CONTRACTOR's Business Name
See instructions below

By: Evan Pfleider
(Signature of: Chair, President, or Vice-President)

Evan Pfleider, President
Name and Title

Date: 4/17/2025

By: Rick Christensen
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Rick Christensen, CFO / Corporate Controller
Name and Title

Date: 4/17/2025

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Natividad MEDICAL CENTER

County of Monterey Agreement for Services
(Not to Exceed $200,000)

This Agreement (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California, for the provision of services for Natividad Medical Center, an acute care hospital ("COUNTY"), and META Dynamic, Inc. hereinafter "CONTRACTOR (collectively, COUNTY and CONTRACTOR are referred to as the "Parties.").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED; COUNTY hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in conformity with the terms of the Agreement. The services are generally described as follows: Rental of guided surgery equipment and services.

PAYMENTS BY COUNTY; COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by COUNTY to CONTRACTOR under this Agreement shall not exceed the sum of $200,000.

TERM OF AGREEMENT; the term of this Agreement is from April 15, 2024 through April 14, 2026 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and COUNTY and with COUNTY signing last and CONTRACTOR may not commence work before COUNTY signs this Agreement.

COUNTY reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

SCOPE OF SERVICES AND ADDITIONAL PROVISIONS/EXHIBITS; the following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A: Scope of Services/Payment Provisions

1. PERFORMANCE STANDARDS:

1.1. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of COUNTY, or immediate family of an employee of COUNTY.

1.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

1.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or

DocuSign Envelope ID: 4CBB9BBE-27DA-4571-8C4A-3D50E29DC894

supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

2. PAYMENT CONDITIONS:

2.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided herein. COUNTY (Monterey County) does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

2.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (COUNTY) and the CONTRACTOR.

2.3. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to COUNTY. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

2.4. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

3. TERMINATION:

3.1. During the term of this Agreement, COUNTY may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

3.2. COUNTY may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If COUNTY terminates this Agreement for good cause, COUNTY may be relieved of the payment of any consideration to Contractor, and COUNTY may proceed with the work in any manner, which COUNTY deems proper. The cost to COUNTY shall be deducted from any sum due the CONTRACTOR under this Agreement.

4. INDEMNIFICATION:

4.1. CONTRACTOR shall indemnify, defend, and hold harmless COUNTY (hereinafter "COUNTY"), its officers, agents and employees from any claim, liability, loss injury or damage arising out of, or in connection with, performance of this Agreement by CONTRACTOR and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the COUNTY. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the COUNTY. The CONTRACTOR shall reimburse the COUNTY for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the CONTRACTOR is obligated to indemnify, defend and hold harmless the COUNTY under this Agreement.

5. INSURANCE:

5.1. Evidence of Coverage:

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Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to Natividad's Contracts Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and COUNTY has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

5.2. Qualifying Insurers: All coverage's except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Natividad's Contracts Department Manager.

5.3. Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

5.4. Commercial General Liability Insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

☐ Exemption/Modification (Justification attached; subject to approval)

5.5. Business Automobile Liability Insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $500,000 per occurrence.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

☐ Exemption/Modification (Justification attached; subject to approval)

5.6. Workers' Compensation Insurance, If CONTRACTOR employs other in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

☐ Exemption/Modification (Justification attached; subject to approval)

5.7. Professional Liability Insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California

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Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

6. Other Insurance Requirements:

6.1. All insurance required by this Agreement shall be with a company acceptable to COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

6.2. Each liability policy shall provide that COUNTY shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

6.3. **Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds** with respect to liability arising out of the Contractor's work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by COUNTY and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by CONTRACTOR's insurance**.

6.4. Prior to the execution of this Agreement by COUNTY, CONTRACTOR shall file certificates of insurance with Natividad's Contracts Department, showing that CONTRACTOR has in effect the insurance required by this Agreement. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

6.5. CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to Natividad's Contracts Department. If the certificate is not received by the expiration date, COUNTY shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles COUNTY, at its sole discretion, to terminate the Agreement immediately.

7. RECORDS AND CONFIDENTIALITY:

7.1. Confidentiality: CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this Agreement, unless COUNTY specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure

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of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

7.2. COUNTY Records. When this Agreement expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from COUNTY to perform services under this Agreement.

7.3. Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

7.4. Access to and Audit of Records: COUNTY shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess or $10,000, the parties to this Agreement may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

8. Royalties and Inventions: COUNTY shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of COUNTY.

9. Non-Discrimination: During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

10. Compliance with Terms of State or Federal Grant: If this Agreement has been or will be funded with monies received by COUNTY pursuant to a contract with the state or federal government in which COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, COUNTY will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

11. Independent Contractor: In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of COUNTY. No offer or obligation of permanent employment with COUNTY or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold COUNTY and the County of

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Monterey harmless from any and all liability, which COUNTY may incur because of CONTRACTOR's failure to pay such taxes.

12. Notices: Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to COUNTY and CONTRACTOR's contract administrators at the addresses listed below.

NATIVIDAD MEDICAL CENTER:	**CONTRACTOR:**
Natividad Medical Center Attn: Contracts Division Natividad Medical Center 1441Constitution Blvd Salinas, CA. 93906 FAX: 831-757-2592	Name: META Dynamic, Inc. Attn: Evan Pfleider, President Address: 1596 N Brian St. City, State, Zip: Orange, CA 92867 FAX: 1-800-229-0870 Email: evan@metadynamicinc.com

MISCELLANEOUS PROVISIONS:

13.1 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

13.2 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by COUNTY and the Contractor.

13.3 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by COUNTY and the Contractor. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

13.4 Contractor. The term "Contractor" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

13.5 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

13.6 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of COUNTY. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

13.7 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

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13.8 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

13.9 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

13.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.

13.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

13.12 Non-exclusive Agreement. This Agreement is non-exclusive and both COUNTY and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

13.13 Construction of Agreement. COUNTY and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

13.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

13.15 Integration. This Agreement, including the exhibits, represents the entire Agreement between COUNTY and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations. Representations, or agreements, either written or oral, between COUNTY and CONTRACTOR as of the effective date of this Agreement, which is the date that COUNTY signs the Agreement.

13.16 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

Signature Page to follow

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COUNTY OF MONTEREY, FOR THE PROVISION OF SERVICES FOR NATIVIDAD MEDICAL CENTER

By: DocuSigned by: Charles Harris 4E1F837D204E481...
Charles R. Harris, CEO Natividad

Date: 5/9/2024 | 2:14 PM PDT

APPROVED AS TO LEGAL PROVISIONS

By: DocuSigned by: Stacy Saetta 696D21D44C4341D...
Monterey County Deputy County Counsel

Date: 5/9/2024 | 9:12 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF64E87434F6...
Monterey County Deputy Auditor/Controller

Date: 5/9/2024 | 9:52 AM PDT

CONTRACTOR

Meta Dynamic Inc.
Contractor's Business Name*** (see instructions)

Signature of Chair, President, or Vice-President

Evan Pfleider, President
Name and Title

Date: 4/15/24

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Name and Title

Date: _____

***__Instructions__:

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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EXHIBIT A
Scope of Services/Payment Provisions

I. Description of All Services to be Rendered by CONTRACTOR:

Intraoperative image guided navigational surgery (IGS) allows the surgeon to operate within a surgical site whose standard anatomical landmarks may be ambiguous because of tumor, infection, fracture, or previous surgery. Studies suggest that IGS may result in decreased complications, increased disease removal, decreased length of stay and in some cases decreased operative time.

CONTRACTOR shall supply a neuronavigation system which includes the equipment, hardware, and software to perform neurosurgery. Digital patient data is uploaded from the computed tomography (CT), or magnetic resonance imaging (MRI) located at NMC to a neuronavigation system in the Operating Room (OR) assisting the surgeon in identifying the right surgical approach. Surgeons are guided through procedures with real time data allowing for smaller skull openings and minimizing damage to healthy structures. With the universal instrument holder (VarioGuide™), preplanned trajectories can be targeted systematically within seconds and anytime during the surgery.

The equipment shall arrive from CONTRACTOR within twenty-four (24) hours of surgery. The CONTRACTOR's technician shall arrive within one (1) hour of surgery to set up the equipment. The technician shall assist the surgeon with the operation of the equipment.

This service shall take place at NMC in one of the surgical suites located on the 2nd floor.

II. CONTRACTOR Obligations:

a. CONTRACTOR shall deliver a navigation system within twenty-four (24) hours prior to the scheduled surgery.

b. CONTRACTOR's technician shall arrive one (1) hour before the scheduled start time of the surgery.

c. CONTRACTOR shall maintain equipment in good working condition.

d. CONTRACTOR shall ensure technicians are properly trained and credentialed to work in a hospital environment.

e. CONTRACTOR shall provide documentation of the services for each patient upon completion of the surgical procedure.

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III. NMC Obligations:

a. NMC shall provide a safe haven for the equipment during its time at the hospital.

b. NMC shall provide appropriate electrical connections and other services for the functioning of the equipment.

c. NMC shall provide a Bio Med technician to quality check the equipment before start of each scheduled surgery.

d. NMC shall request services within one (1) day of each surgery when the equipment and services is requested.

e. NMC shall provide access to the CT / MRI scans of the operative patients.

f. NMC shall provide an operating suite large enough to accommodate the extra equipment.

g. NMC shall provide competent staff to participate in surgery.

IV. Patient Data:

a. All data provided by Natividad Medical Center (County of Monterey) belongs to Natividad Medical Center (County of Monterey). All records compiled by CONTRACTOR in completing the work described in this Agreement, including but not limited to written reports, studies, drawings, blueprints, negatives of photographs, graphs, charts, plans, source codes, specifications, and all other similar recorded data, shall become and remain the property of Natividad Medical Center (County of Monterey). Use or distribution of Natividad Medical Center (County of Monterey) data by CONTRACTOR is prohibited unless CONTACTOR obtains prior written consent from Natividad Medical Center (County of Monterey).

b. For systems hosted or stored on equipment not owned by Natividad Medical Center (County of Monterey), CONTRACTOR shall furnish all data to Natividad Medical Center (County of Monterey) upon request by Natividad Medical Center (County of Monterey) at any time during the term of this Agreement in a useable format as specified by NMC and at no additional cost to Natividad Medical Center (County of Monterey).

c. Notwithstanding anything to the contrary contained in this Agreement, it is understood and agreed that CONTRACTOR shall retain all rights in its proprietary information including, without limitation, methodologies and methods of analysis, ideas, concepts, expressions, know how, methods, techniques, skills, knowledge and experience possessed by CONTRACTOR prior to this Agreement.

V. Pricing/Fees:

a. For pricing, please refer to attached schedule.

b. There shall be no travel reimbursement allowed during this Agreement.

c. Sales tax is applicable to single use products at the prevailing tax rate for the hospital.

d. CONTRACTOR to submit invoices upon completion of deliverables.

e. CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

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f. Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

g. County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

h. No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

i. NMC shall not pay any claims for payment of services submitted more than twelve (12) months after the calendar month in which the services were completed.

j. Services used during holidays will be charged at holiday rate. Holidays are defined as:

- Memorial Day
- Independence Day (4th of July)
- Labor Day
- Thanksgiving Day
- Christmas Day
- New Year's Day

k. Holidays falling on a Saturday will be recognized the previous Friday also.

l. Holidays falling on a Sunday will be recognized the following Monday also.

m. Weekend/afterhours fees apply to a surgery start time of 6 p.m. or later, a surgery taking place on a Saturday, Sunday, or a holiday.

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META Dynamic, Inc.
Rate Sheet

Navigation Rental & Services		
2-IRD	Instrument Tray Rental	$595.00
2-RF	Navigation Rental Fee (Includes Navigation Unit, Trays, Tech Hours, Misc Fees and Disposal	$6,000.00
2-IOR	Intraoperative Imaging Rental (O-arm / 3D C-arm)	$2,500.00
2-RS	Radiology Services (Includes fiducials and shaving kit for fiducial placement)	$425.00
2-RF-ENT	Rental Fee - ENT (includes disposables and all tech hours)	$2,195.00
Ultrasonic Aspirator Rental & Services		
4-UA	UA Rental Fee	$1,895.00
4-UA-W/NAV	UA Rental Fee (with META navigation rental used at same surgery)	$1,695.00
4-UA Kit	Single-Use UA Kit (Tubing, Liner, Flu)	$495.00
4-UA L	2nd Liner	$50.00
4-TF	UA Only Hourly Technician Fee	$86.00
Single Use Products		
5-BK	Biopsy Kit	$995.00
5-BN/BL	Biopsy Needle (Brainlab Compatible)	$595.00
5-BN/MDT	Biopsy Needle (CBYON / MDT Compatible)	$595.00
5-DB 2.5	Drill Bit 2.5mm	$350.00
5-DB 3.2	Drill Bit 3.2mm	$350.00
5-PAN	Pedicle Access Needle	$995.00
5-RC	Remote Control	$115.00
5-SS	Schanz Screw	$115.00
5-STY	Ventricular Catheter Passer-Stylet	$595.00
5-TS-3	Tracking Spheres Twist - Brainlab compatible, price per pack (3 spheres per pack)	$36.00
5-TS-4	Tracking Spheres Snap - Stealth/CBYON compatible, price per pack (4 spheres per pack)	$48.00
5-TS-5	Tracking Spheres Snap - Stealth/CBYON compatible, price per pack (5 spheres per pack)	$60.00
Miscelleaneous		
6-CF-AD	Cancellation: After Equipment Delivery	$695.00
6-CF-ATA	Cancellation: After Tech Arrival	$495.00
6-CF-ATA-WE	Cancellation: After Tech Arrival (After Hours / Holidays / Weekends/ >2 Hour Wait)	$695.00
6-WE	After Hour / Weekend Coverage	$595.00
6-H	Holiday Coverage	$995.00
6-ED	Emergency Response / System Delivery	$695.00
6-ET	Emergency Response / Tech Only	$395.00
	(Emergency Response consists of same day or after 2PM day prior)	
Clinical Support (Hospital Owned Equipment)		
7-TS-SP-INC	All-inclusive navigation support (includes all tech hours)	$2,500.00
Additional Services		
8-OQADP	Omniscient Quicktome Advanced Data Processing (fiber tracking)	$2,000.00

Prices subject to change without notice

All purchase orders should be issued to:
META Dynamic, Inc. 1596 N Brian St Orange, CA 92867 summer@metadynamicinc.com
Note:
Holidays: Memorial Day, Independence Day, Labor Day, Martin Luther King Day, Presidents Day,
Thanksgiving, Christmas, New Year's Day
After Hours: fees apply to a surgery that starts or finishes after 3 pm
Radiology Services: Fiducial Placement, Advanced Surgical Planning, Remote Imaging pickup

County of Monterey

Board Report

Legistar File Number: A 25-344

Item No.21

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/8/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 1 to the agreement (A-16776) with Pomphrey Consulting, LLC for trauma registrar staffing services, extending the agreement through July 1, 2027 for a revised full agreement term of March 1, 2024 through July 1, 2027 and adding $200,000 for a revised total agreement amount not to exceed $450,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 1 to the agreement (A-16776) with Pomphrey Consulting, LLC for trauma registrar staffing services, extending the agreement through July 1, 2027 for a revised full agreement term of March 1, 2024 through July 1, 2027 and adding $200,000 for a revised total agreement amount not to exceed $450,000.

SUMMARY/DISCUSSION:

The broad scope of services for this contract is data abstraction, data entry, and data validation. Data abstraction would consist of remote computer access to all sections of the Natividad Medical Center computer system required for complete data acquisition. This would include Natividad's Meditech Electronic Medical Record (EMR). Pomphrey Consulting will provide Natividad Medical Center Trauma Registrar staffing resources who will abstract and enter the data information into the ESO Trauma One trauma registry software which is currently installed at Natividad. Each data element will be abstracted in accordance with the American College of Surgeons (ACS) National Trauma Data Bank (NTDB) Data Dictionary for the current admission year. This document contains all the national data elements, their definitions, and abstraction guidelines. The last section of this document details the additional data elements required of hospitals participating in the Trauma Quality Improvement Program (TQIP) of which Natividad Medical Center is an active participant.

The trained and certified trauma registrar fulfills the requirements established by the American College of Surgeons for Natividad to maintain verification as a Level II Adult trauma center. The services provided by Pomphrey Consulting will satisfy four standard criteria listed as follows:

- Standard Criterion 4.31 Trauma Registry Staffing Requirements- Type II
- Standard Criterion 4.32 Certified Abbreviated Injury Scale Specialist- Type II
- Trauma Registry Courses Requirement- Type II

- Trauma Registrar Continuing Education- Type II

The trauma registrar staffing services is vital to support the Natividad Medical Center Trauma Performance Improvement Patient Safety program (PIPS). The PIPS program must be empowered to identify opportunities for improvement and develop actions to reduce the risk of patient harm. Identification of events and opportunities is only possible by analyzing standardized and validated data obtained from each patient's electronic medical record. An effective PIPS program improves patient safety and patient outcomes.

OTHER AGENCY INVOLVEMENT:
The Office of County Counsel has reviewed and approved this renewal and amendment No. 1 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The renewal and amendment No. 1 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:
The cost for this renewal and amendment No. 1 is $200,000 of which $120,000 is included in the FY 2025-26 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
The Trauma Registry and certified trauma registrar staff are a requirement for all trauma centers verified by the American College of Surgeons (ACS). The "Resources for Optimal Care of the Injured Patient" is a published document that details standard requirements trauma centers must meet to provide optimal care to trauma patients. Each standard is listed as a criteria that must be met in order to be verified as a trauma center. This contract will assist Natividad Medical Center to have the appropriate resources to ensure we are meeting the necessary standards to maintain our Level II trauma center verification by the American College of Surgeons. It will also support our quality assurance to provide optimal care to our trauma patients.

__ Economic Development
X Administration
__ Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Julie Ramirez, Trauma Program Director, 772-7350
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
Pomphrey Consulting LLC Renewal and Amendment No. 1
Pomphrey Consulting LLC Agreement

Attachments on file with the Clerk of the Board

County of Monterey

Board Report

Legistar File Number: A 25-344

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

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The Office of County Counsel has reviewed and approved this renewal and amendment No. 1 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The renewal and amendment No. 1 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this renewal and amendment No. 1 is $200,000 of which $120,000 is included in the FY 2025-26 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6608.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Trauma Registry and certified trauma registrar staff are a requirement for all trauma centers verified by the American College of Surgeons (ACS). The "Resources for Optimal Care of the Injured Patient" is a published document that details standard requirements trauma centers must meet to provide optimal care to trauma patients. Each standard is listed as a criteria that must be met in order to be verified as a trauma center. This contract will assist Natividad Medical Center to have the appropriate resources to ensure we are meeting the necessary standards to maintain our Level II trauma center verification by the American College of Surgeons. It will also support our quality assurance to provide optimal care to our trauma patients.

__ Economic Development
X Administration
__ Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Julie Ramirez, Trauma Program Director, 772-7350
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
Pomphrey Consulting LLC Renewal and Amendment No. 1
Pomphrey Consulting LLC Agreement

Attachments on file with the Clerk of the Board

Docusign Envelope ID: B60666F7-5CA6-40DA-841E-13464AD3A2FD

RENEWAL AND AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN POMPHREY CONSULTING, LLC AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
TRAUMA REGISTRAR STAFFING SERVICES

This Renewal and Amendment No. 1 to the Services Agreement ("Agreement") which was effective on March 1, 2024 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Pomphrey Consulting, LLC ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for trauma registrar staffing services with a term March 1, 2024 through February 28, 2025 and a total Agreement amount not to exceed $250,000; and

WHEREAS, the Agreement expired on March 1, 2025; and

WHEREAS, the Parties currently wish to renew and amend the Agreement via Renewal and Amendment No. 1 retroactive to March 1, 2025 to extend the term through July 1, 2027 for a revised term of Agreement (March 1, 2024 through July 1, 2027) to allow for continued need of CONTRACTOR's services with no revisions to the scope of work or billing rates, with an increase of $200,000 for a revised total Agreement amount of $450,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed and amended on the terms and conditions as set forth in the Original Agreement incorporated herein by this reference, except as specifically set forth below.

1. Section 2 / Paragraph titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT C, subject to the limitations set forth in this Agreement. The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $450,000."

2. The first sentence of Section 3.1 /Paragraph titled, "TERM OF AGREEMENT" shall be amended to the following:
   "The term of this Agreement is from March 1, 2024 through July 1, 2027 unless sooner terminated pursuant to the terms of this Agreement."

3. If there is any conflict or inconsistency between the provisions of Agreement, or this Renewal and Amendment No. 1, the provisions of this Renewal and Amendment No. 1 shall govern.

4. This Renewal and Amendment is effective retroactively on March 1, 2025.

~ Signature page to follow ~

Docusign Envelope ID: B60666F7-5CA6-40DA-841E-13464AD3A2FD

IN WITNESS WHEREOF, the Parties hereby execute this Renewal and Amendment No. 1 as follows:

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta 696D21D44C4341D...
Monterey County Deputy County Counsel

Date: 7/29/2025 | 8:56 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 7/30/2025 | 7:39 AM PDT

CONTRACTOR

Pomphrey Consulting, LLC
CONTRACTOR's Business Name
See instructions below

By: DocuSigned by: John G. Buck 5F542A85E495457...
(Signature of: Chair, President, or Vice-President)

John G. Buck, Vice President of Operations
Name and Title

Date: 6/26/2025 | 7:53 AM PDT

By: Signed by: Vicki Burton EEA9B21588C54F7...
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Vicki Burton, Vice President of Education
Name and Title

Date: 6/26/2025 | 8:10 AM PDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Luis A. Alejo to:

Agreement No.: A-16776

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with Pomphrey Consulting, LLC for trauma registrar staffing services at NMC for an amount not to exceed $250,000 with an agreement term retroactive to March 1, 2024 through February 28, 2025.

b. Authorize the Chief Executive Officer for Natividad Medical Center or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than 10% ($25,000) of the original cost of the agreement per each amendment, for total contract liability of ($275,000).

PASSED AND ADOPTED on this 26th day of March 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting March 26, 2024.

Dated: April 2, 2024
File ID: A 24-107
Agenda Item No.: 21

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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Natividad MEDICAL CENTER

COUNTY OF MONTEREY AGREEMENT FOR SERVICES (MORE THAN $200,000)

This Agreement for Services (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California, for the provision of services for Natividad Medical Center ("COUNTY"), a general acute care teaching hospital wholly owned and operated by the County, and Pomphrey Consulting, LLC (hereinafter "CONTRACTOR", collectively COUNTY and CONTRACTOR are referred to as the "Parties").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED.** COUNTY hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of the Agreement. The services are generally described as follows:
   Trauma Registrar Staffing Services.

2. **PAYMENTS BY COUNTY.** COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by COUNTY to CONTRACTOR under this Agreement shall not exceed the sum of **$** 250,000.

3. **TERM OF AGREEMENT.**

   3.1. The term of this Agreement is from retroactive to March 1, 2024 through February 28, 2025 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and COUNTY and with COUNTY signing last and CONTRACTOR may not commence work before COUNTY signs this Agreement.

   3.2. COUNTY reserves the right to cancel this Agreement, or an extension of this Agreement, without cause, with a thirty (30) day written notice, or with cause immediately.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   Exhibit A: Scope of Services

   Exhibit B: COUNTY Duties and Responsibilities

   Exhibit C: Compensation

   Exhibit D: Monterey County Travel and Business Expense Reimbursement Policy

   Exhibit E: Business Associate Agreement

   Exhibit F: Business Automobile Liability Insurance Justification

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5. PERFORMANCE STANDARDS.

5.1. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of COUNTY, or immediate family of an employee of COUNTY.

5.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provide in this paragraph. COUNTY does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety (90) days prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (COUNTY) and the CONTRACTOR.

6.3. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement, and then only in accordance with any applicable County policies.

6.4. Invoice amounts shall be billed directly to the ordering department.

6.5. CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. COUNTY shall certify the invoice, either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7. TERMINATION.

7.1. During the term of this Agreement, COUNTY may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In

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the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.2. COUNTY may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If COUNTY terminates this Agreement for good cause, COUNTY may be relieved of the payment of any consideration to Contractor, and COUNTY may proceed with the work in any manner, which COUNTY deems proper. The cost to COUNTY shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.3 COUNTY's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for COUNTY's purchase of the indicated quantity of services, then COUNTY may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8. INDEMNIFICATION.

8.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "COUNTY"), its officers, agents and employees from any and all claims, liability and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of COUNTY. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9. INSURANCE.

9.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to Natividad's Contracts Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and COUNTY has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

9.2 Qualifying Insurers: All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII,

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according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Natividad's Contracts Department Manager.

9.3 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence. Justification attached as "Exhibit F"

☒ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, If CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, ***If required*** for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

9.4 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

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Each liability policy shall provide that COUNTY shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of CONTRACTOR's work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by COUNTY and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by CONTRACTOR's insurance.** The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by COUNTY, CONTRACTOR shall file certificates of insurance with Natividad's Contracts Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to Natividad's Contracts Department. If the certificate is not received by the expiration date, COUNTY shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles COUNTY, at its sole discretion, to terminate the Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

10.1 Confidentiality. CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this Agreement, unless COUNTY specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

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10.2 COUNTY Records. When this Agreement expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from COUNTY to perform services under this Agreement.

10.3 Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

10.4 Access to and Audit of Records. COUNTY shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess or $10,000, the parties to this Agreement may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.5 Royalties and Inventions. COUNTY shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of COUNTY.

11. **NON-DISCRIMINATION**. During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT**. If this Agreement has been or will be funded with monies received by COUNTY pursuant to a contract with the state or federal government in which COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, COUNTY will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of COUNTY. No offer or obligation of permanent

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employment with COUNTY or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold COUNTY and the County of Monterey harmless from any and all liability, which COUNTY may incur because of CONTRACTOR's failure to pay such taxes.

14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to COUNTY and CONTRACTOR's contract administrators at the addresses listed below

NATIVIDAD MEDICAL CENTER:	**CONTRACTOR:**
Natividad Medical Center Attn: Contracts Division Natividad Medical Center 1441Constitution Blvd Salinas, CA. 93906 FAX: 831-757-2592	Name: Pomphrey Consulting LLC Attn: Michelle Pomphrey Address: 2683 Spring Hill Rd City, State, Zip: Staunton. VA 24401 FAX: 540-448-2770 Email: michelle.pomphrey@pomphreyconsulting.com

15. MISCELLANEOUS PROVISIONS.

15.1 Conflict of Interest: CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

15.2 Amendment: This Agreement may be amended or modified only by an instrument in writing signed by COUNTY and the CONTRACTOR.

15.3 Waiver: Any waiver of any terms and conditions of this Agreement must be in writing and signed by COUNTY and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

15.4 Contractor: The term "Contractor" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.

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15.5 Disputes: CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.6 Assignment and Subcontracting: CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of COUNTY. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

15.7 Successors and Assigns: This Agreement and the rights, privileges, duties, and obligations of COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

15.8 Compliance with Applicable Law: The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

15.9 Headings: The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

15.10 Time is of the Essence: Time is of the essence in each and all of the provisions of this Agreement

15.11 Governing Law: This Agreement shall be governed by and interpreted under the laws of the State of California.

15.12 Non-exclusive Agreement: This Agreement is non-exclusive and each of COUNTY and CONTRACTOR expressly reserves the right to contract with other entities for the same or similar services.

15.13 Construction of Agreement: COUNTY and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

15.14 Counterparts: This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

15.15 Integration: This Agreement, including the exhibits, represents the entire Agreement between COUNTY and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations representations, or agreements, either written or oral, between COUNTY and CONTRACTOR as of the effective date of this Agreement, which is the date that COUNTY signs the Agreement.

15.16 Interpretation of Conflicting Provisions: In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

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COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

By: DocuSigned by: Charles R. Harris
4E1F837D2045481...
Charles R. Harris, CEO Natividad

Date: 4/9/2024 | 9:29 AM PDT

APPROVED AS TO LEGAL PROVISIONS

By: DocuSigned by: Stacy Saetta
C0ECE1B09F444A9...
Monterey County Deputy County Counsel

Date: 2/27/2024 | 8:37 AM PST

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Jennifer Forsyth
4E7E6578754545E...
Monterey County Deputy Auditor/Controller

Date: 2/27/2024 | 9:29 AM PST

CONTRACTOR

Pomphrey Consulting, LLC
Contrctor's Business Name*** (see instructions)

By: DocuSigned by: Michelle Pomphrey
Signature of Chair, President, or Vice-President

Michelle Pomphrey, CEO
Name and Title

Date: 2/26/2024 | 5:07 PM PST

By: DocuSigned by: John G Buck
5F542A85E4B5457...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

John G Buck, Vice President of Operations
Name and Title

Date: 2/26/2024 | 4:31 PM PST

***Instructions:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Exhibit A:

Scope of Services

I. Description of All Services to be Rendered by CONTRACTOR:

The broad scope of services for this contract is data abstraction, data entry, and data validation. Data abstraction would consist of remote computer access to all sections of the Natividad Medical Center (NMC) computer system(s) required for complete data acquisition. This would include NMC'S Meditech Electronic Medical Record (EMR).

II. CONTRACTOR Obligations:

a) CONTRACTOR shall abstract and enter the data information into the ESO TraumaOne (TRAUMA REGISTRY SOFTWARE) which is currently installed at NMC. Each data element will be abstracted in accordance with the American College of Surgeons (ACS) National Trauma Data Bank (NTDB) Data Definitions for the current admission year. The NTDB data dictionary can be found at https://www.facs.org/quality- programs/trauma/tqp/center-programs/ntdb/ntds/data-dictionary. This document contains all the national data elements, their definitions, and abstraction guidelines. The last section of this document details the additional data elements required of hospitals participating in the Trauma Quality Improvement Program (TQIP). It is our understanding that NMC is a TQIP participating facility.

b) All data elements above and beyond the NTDB and TQIP fields will be abstracted in accordance with NMC's internal data dictionary or State/Corporate Data Dictionary. These documents should contain the data element's names, definitions, patient population to be completed on, as well as the primary and secondary EMR data source. This ensures CONTRACTOR abstracts all remaining data elements in the exact format as NMC staff for consistency of reports. If no such NMC document exists, CONTRACTOR will abstract non-NTDB/TQIP fields in accordance to NMC orientation recording. CONTRACTOR will identify appropriate data locations if no specific instructions are provided.

c) The scope of services CONTRACTOR will provide shall comply with all the above reference data elements and national definitions. All charts require hand coding/assignment of all injury codes using the Abbreviated Injury Scale (AIS 05) for Injury Severity Score (ISS) calculations by the CONTRACTOR. Accurate AIS codes ensure accurate ISS reflections, and thus accurate M, Z, & W statistics for NMC. These injury codes will be entered in the REGISTRY and will map to a corresponding ICD-10-CM injury code. The ICD-10-CM injury codes will be validated using medical record codes, as well as CONTRACTOR coding/validation. ICD-10-CM External Cause codes and ICD-10-PCS procedure codes will be assigned by medical records coding and validated by CONTRACTOR for completeness and accuracy.

d) PROCESS:

1. Establish remote access: **See "Exhibit B: COUNTY Duties and Responsibilities"** for full details.
2. Orientation Recording:
   A. REGISTRY:
      1. CONTRACTOR shall record these sessions in our Adobe Connect platform. This is a username and password protected secure system.
      2. NMC will start a "New Patient" in REGISTRY so that no individual patient data will be seen or recorded. CONTRACTOR will do short recordings for each individual data screen in NMC REGISTRY. In each recording, NMC will verbally explain all Non - NTDB/TQIP fields. This will include special instructions related

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to specific patient populations, where to find the information in EMR including primary and secondary sources.

3. All recordings will be available for the NMC to ensure all employees, present or future, are oriented and trained in the same manner. The recordings are used as references during the project and referred to for clarification when questions arise.

B. EMR-NMC will do a short recording with CONTRACTOR to identify the following:

1. How to recall a patient and ensure correct episode of care.

2. Main Sections of EMR

   a. ED documents
   b. OR
   c. Consults
   d. Progress Notes
   e. Outside Hospital Documents
   f. Pre-hospital Documents
   g. Radiology
   h. Labs
   i. Medications – for TQIP DVT Prophylaxis
   j. Orders – Admit/DC.
   k. Other specific places to identify ICU Days, Vent Days, and other NMC specific data elements.

3. All recordings will be available for NMC to ensure all employees, present or future, are oriented and trained in the same manner. The recordings are used as references during the project and referred to for clarification when questions arise.

C. PATIENT LIST- See "**Exhibit B: NMC DUTIES AND RESPONSIBILITIES**" for full details.

3. CONTRACTOR shall identify a Project Lead or Team Lead. This individual will be the main contact for NMC.
   i. NMC will assign CONTRACTOR Lead two (2) complex charts. CONTRACTOR Lead will complete, and NMC will validate.
   ii. NMC will provide CONTRACTOR Lead feedback on any issues identified, related to data definitions, EMR data locations or chart completeness, or closure. NMC and CONTRACTOR Lead will repeat this process until NMC is confident and Inter-Rater Reliability (IRR) score for CONTRACTOR Lead is above 95%.
4. CONTRACTOR Lead will then begin assigning charts to CONTRACTOR team and repeating the same process as outlined in #3 above for each CONTRACTOR team member. Project Lead will complete validation on CONTRACTOR team.
5. Once CONTRACTOR team is working independently, a standard 5% of their charts will be used for on- going data validation.

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6. All data validation will be entered into the Buck Data Validation System (BDVS) which will be provided to NMC at no charge. IRR scores per CONTRACTOR team member will be available to NMC as well as productivity measures for project monitoring. The standard data elements validated for each CONTRACTOR team member are:
    i. Trauma Registry Number
    ii. Date of Birth/Age
    iii. Mechanism of Injury (ICD-10-CM external cause code OR Blunt vs. Penetrating if not mapped)
    iv. All NMC initial Emergency Department/NMC vital signs needed to calculate the Revised Trauma Score (RTS)
    v. All injuries thus ensuring a valid ISS
    vi. ICU Length of Stay
    vii. Hospital Length of Stay
    viii. Comorbid Conditions as defined by NTDB/TQIP
    ix. Complications as defined by NTDB/TQIP

These elements are chosen as they have a direct impact on national benchmarking reports. The BDVS system will also be available for NMC staff to monitor their productivity and data validation. These results will be integrated into the NMC data validation reports.

7. CONTRACTOR Lead will provide weekly update reports as to the status of the project which will act as the main communication between NMC and CONTRACTOR.

8. CONTRACTOR staff will observe the following holidays:
    A. New Year's Day
    B. Memorial Day
    C. July 4th
    D. Labor Day
    E. Thanksgiving Day
    F. Christmas Day

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Exhibit B:
COUNTY DUTIES AND RESPONSIBILITIES

I. COUNTY Obligations:

The scope of work for COUNTY is based on a remote access structure. As such, the COUNTY does not have to provide the following:

- Office space or furniture
- Computers or printers
- Office supplies (paper, pens, etc.)
- Insurance
- Benefits

The COUNTY/NMC will be responsible for the following:

1) Compensation as described in the agreement and set forth in **Exhibit C "COMPENSATION".**

2) Providing CONTRACTOR with a Business Associates Agreement (BAA) attached hereto as **"Exhibit E: Business Associate Agreement".**

3) Information Technology (IT) support for remote access, logins, password changes, and resolution of all technical issues that prevent CONTRACTOR from performing the services outlined in this agreement. NMC shall provide one high level IT manager/supervisor who is assigned to CONTRACTOR. The name and contact information are to be provided by NMC at the signing of contract. NMC IT manager will work directly with CONTRACTOR. IT manager will establish all CONTRACTOR remote staff access. NMC IT manager/supervisor is responsible for communicating to CONTRACTOR all steps/processes in detail to establish remote access.

4) Start date of Agreement will be effective per **section 3.1 "TERM OF AGREEMENT"**. NMC IT manager/supervisor will then provide CONTRACTOR staff with login ID and successful computer access as defined in **"Exhibit A: Scope of Services"**. Successful access is defined as the ability to remotely access all computer systems identified, including the same pathways within them as identified in NMC orientation for CONTRACTOR. If successful access isn't established within 14 business days of CONTRACTORS completion of NMC required IT forms, CONTRACTOR will notify NMC contact in writing of such delays and shall allow NMC to rectify issue within 30 days of written notification. The official start date for CONTRACTOR deliverables is date of successful access to all computer systems for all CONTRACTOR staff. This date will be noted by NMC and CONTRACTOR in writing.

5) Site Visit (if necessary): CONTRACTOR shall send Remote Staff to NMC for the ACS Consultative visit and/or ACS Verification Review upon NMC Advanced Notice Request. All travel, lodging, and worked hours cost will be incurred by NMC and shall adhere to the County of Monterey's Travel and Reimbursement Policy as defined in "**Exhibit D- Monterey County Travel and Business Expense Reimbursement Policy**".

6) Trauma Verification Consulting Services (if applicable): If NMC does not have a successful site survey and fail the verification, and decides not to become a trauma center, NMC shall provide notice of termination pursuant to **section 7.1 "TERMINATION"** of the Agreement.

7) Provide CONTRACTOR with hospital/state inclusion criteria document and hospital/state/corporate data dictionary.

8) NMC will grant CONTRACTOR project manager/team lead, report writer privileges in the REGISTRY. CONTRACTOR project manager/team lead will close each back-log month or abstraction time period assigned to CONTRACTOR. This includes a complete validation report, correction of all Level 1 and 2 errors, and review of all Level 3 and 4 warning errors with corrections if necessary.

9) NMC will identify one administrative level point of contact who will assist CONTRACTOR if issues arise such as, but not limited to, computer access or contractual addendums, etc.

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10) NMC will provide CONTRACTOR with a patient list of outstanding/concurrent patients needing data abstraction/entry. This list will be in Microsoft Excel format and located on NMC shared server. CONTRACTOR remote staff will access NMC system and sign out charts. Once patients are complete, the charts will be marked as complete and additional charts/patients will be signed out by CONTRACTOR staff. This process reduces the chance of duplication of work and allows NMC transparency in work progression. The fields for the Excel file will include: Trauma Registry Number, Account Number, Medical Record Number, Patient Last Name, Admission Date, and Hospital LOS. The patient list always remains on NMC server, ensuring all personal health information (PHI) is protected by NMC firewalls.

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Exhibit C:
COMPENSATION

I. Pricing/ Fees:

Cost Calculations:
DATA ABSTRACTION COST: Based on backlog survey and number of charts in backlog. Additional DATA VALIDATION = 5% of Backlogged Chart Assignment multiplied by Data Validation Hourly Rate (abstraction rate per hour)

COST BREAKDOWN ESTIMATES (Data Abstraction):

	Rate	Weekly Hours	# of weeks	Monthly Fee	Total
1st Full Time Employee: Trauma Registry Services for 1 year	$59.00/ hr.	40 hrs. per week	52 weeks		$122,720
2nd Full Time Employee: Trauma Registry Services for 1 year	$59.00/ hr.	40 hrs. per week	52 weeks		$122,720
Professional Set Up Fee (ONE TIME FEE)	N/A	N/A	N/A		$ 2,000
Estimated Administrative Fee:	2.5% per monthly billing cycle of actual hours worked	80 hrs. per week	N/A	$472.00	$5,664.00
				TOTAL:	**$253,104**

- Post Backlog data abstraction terms, additional PRN term staffing is agreed @ $59.00 per hour for the required work hours.
- Additional PRN staffing length of terms will not exceed 1 year and will require an instrument in writing signed by COUNTY and CONTRACTOR as stated in section 15.2 "Amendment" of the Agreement.

II. NMC shall receive the following services from CONTRACTOR at no additional cost:

1. One (1) seat in our monthly educational webinar series for trauma registrars for 1 month. (Valued at $50.)
2. One (1) seat in our monthly educational webinar series for trauma program managers for 1 months. (Valued at $50.)
3. One (1) seat in our Trauma Program Managers Mentorship Program, Trauma Registrar Mentorship, Trauma Advanced Registry Prep (TARP) or Trauma Data Analytics @ 50% off. (This is a $250.00 - $750.00 value.)

III. Additional Compensation Information:

A. IT fee

Successful IT set-up for all of CONTRACTOR remote staff as defined in "**Exhibit B: COUNTY Duties and Responsibilities**" will be billed at a rate of the agreed abstraction rate per hour.

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B. Data Abstraction/Data Entry/Data Validation Services

Data validation is a Type II criterion deficiency (CD15-10) per the ACS Resources for Optimal Care of the Injured Patient 2014 manual. ACS recommends a 5-10 % data validation platform. CONTRACTOR will perform data validation at a rate of 5% per abstractor. Data validation results and summary reports will be provided to NMC thru the BDVS system. Data Validation is a subspecialty that reviews and reports Inter-Rater Reliability (IRR) of CONTRACTOR staff. Hours during this period are billed at abstraction rate per hour. CONTRACTOR can perform data validation for NMC staff if requested at abstraction rate per hour.

C. NMC Down Time

Downtime is defined as any time in which CONTRACTOR cannot perform their duties as a direct result of: REGISTRY updates (schedule or non-schedule), or NMC computer system issues (such as server, password resets, other outages, etc.) which occur during normal business working hours may be billed at $30/person per hour. These are issues that arise solely due to NMC events. Team lead will document this and notify the Trauma Program Manager via email. (Normal business working hours are defined as Monday – Friday 8:00 am – 5:00 pm EST.)

D. Project Team Meetings

Project Team Meetings are scheduled weekly by CONTRACTOR to communicate with CONTRACTOR team, feedback from NMC, Inter-Rater Reliability (IRR), answer questions, and clarify processes. NMC is invited to participate in these meetings. Week three (3) of the project Team Meetings are moved to every 2 weeks. Project Team Meeting hours are billed at abstraction rate per hour per CONTRACTOR team member.

E. Miscellaneous Fees

Should NMC require as a condition of this Agreement that CONTRACTOR, its employees or agents be vaccinated, drug screened, background checked, have a national clinical account, vendor credentialing fees, or any other similar obligations; COUNTY shall compensate CONTRACTOR for CONTRACTOR'S actual costs incurred in complying with the NMC's requirements. This will be a separate line item on NMC invoice.

F. Administrative Fees

Monthly billing will include a 2.5% Administrative Fee of actual hours worked. Administrative Fee covers opening and maintaining Accounting & Information Technology Support.

G. County and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the ***Monterey County Travel and Business Expense Reimbursement Policy***. A copy of the policy is available online at https://www.co.monterey.ca.us/government/departments-a-h/auditor-controller/policies-and-procedures To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

H. CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

I. Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

J. COUNTY may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

K. No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

To ensure no break in coverage for vacation, injury, illness, etc. CONTRACTOR may assign multiple team members to this project. Federal Holidays and Vacation time can affect weekly hours provided. Notification will be provided to NMC by CONTRACTOR once Vacation Requests have been received. Coverage may be utilized to ensure full contracted hours if requested by NMC. All Vacation and Holiday hours will NOT be incurred by NMC, CONTRACTOR is obligated for these hours.

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Exhibit D:
Monterey County Travel and Business Expense Reimbursement Policy

TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT POLICY

Revised December 11, 2012

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I. PURPOSE

The purpose of this policy is to establish uniform travel and business expense reimbursement policies, rules and claim procedures for persons authorized to conduct County business.

II. SCOPE

The County travel and business expense reimbursement policy applies to all County employees, members of legislative bodies established by the Board (salaried or not), non-County employees (such as contractors who receive travel and/or business expense reimbursements) and volunteers traveling on County business.

III. DEFINITIONS

Unless the context otherwise requires, the definitions contained in this part govern the construction of this policy. They do not necessarily apply in other County contexts.

A. Accountable Expense Reimbursement Plan

Reimbursements of travel and other business expenses to a County employee, contractor or volunteer will be considered to be made under an "Accountable Expense Reimbursement Plan" if the following three requirements are met:

- The person substantiates his or her expenses by submitting an expense report with
  1) the amount of the expenditure,
  2) the time and place of the travel or business entertainment,
  3) the business purpose of the expenditure, and
  4) the names and business relationship of any persons entertained.
- The person documents the expenses with supporting receipts, paid bills, etc. within 60 days after the expense is paid or incurred, and
- Excess advances, if any, are repaid to the County within 120 days after the expense is paid or incurred.

"County" means the County of Monterey.

B. County Business

"County business" means the activity directly related to the ordinary, necessary and/or required business functions of the County of Monterey ("County"). It does not include travel or expenses related to an employee's participation in the County's Educational Assistance Program or commuting expenses (a non-reimbursable expense).

C. County Employee

"County employee" means any County officer or employee, whether elected or appointed, filling a budgeted position approved by the Board of Supervisors.

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Independent contractors and their employees are not County employees.

D. County Traveler

"County traveler" means any County employee, authorized non-County employee (such as a contractor) or volunteer traveling on County business. Agency temporary employees are not covered by this policy and are not reimbursable for travel.

E. County Volunteer

"County volunteer" means a person, other than a County employee, who performs volunteer work authorized by a department or the Board of Supervisors for the County, such as a department volunteer, a commissioner or a member of an interview panel. It does not include agency temps, inmates, wards or probationers working for the County.

F. Home

"Home" means the actual dwelling place of the County traveler without regard to any other legal or mailing address.

G. Main or Regular Place of Work

"Main or regular place of work" means the principal place of business for the County employee or the principal location to which the County volunteer/contractor is assigned to work for the County. This may be the place at which s/he spends the largest portion of his/her regular County workday or working time or, in the case of field workers, the assigned location/headquarters to which s/he returns upon completion of regular or special assignments.

H. Meals

Meals that are 1) directly related or associated with bona fide County business matters and 2) approved for reimbursement by a member of the Board of Supervisors or a department head (or his or her designee) will be considered a reimbursable County business expense, if incurred in connection with out-of-County business travel or while conducting in-County business. Also, reimbursement for the provision of in-kind meals to employees on the business premises of the County will only be allowed if there is a substantial non-compensatory business reason for providing such meals to employees.

I. Temporary Work Location

"Temporary work location" means the place where the County employee, volunteer or contractor is assigned on an irregular or short-term basis. If an employee is assigned to a work location for no more than 35 work days during a calendar year, then the location is considered temporary. Attending conferences, meeting or training sessions away from the main or regular place of work by County employees or volunteers, or field

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workers conducting fieldwork at off-site locations, does not normally constitute assignment to another site. If the employee is assigned for more than 35 work days during the calendar year, the new location has become the main or regular place of work.

J. Vehicle

"Vehicle" means a motor vehicle, which can be legally operated on public highways.

IV. AUTHORIZATION TO TRAVEL

A. General Conditions

1. Travel will be authorized only when the travel is necessary and in the best interest of the County.

2. Advance authorization is required for all County travel, as specified in B & C.

3. Advance written authorization from the County Administrative Officer is required for all County travel by County volunteers, except as follows:

   a) Travel by appointed members of County boards, commissions, or advisory committees to and from the official meetings of their respective boards.

   b) Travel to and from the County for members of personnel interview panels, subject to authorization by the Human Resources Department.

   c) Travel to and from meetings, conferences and training covered by the County MHSA plan, subject to authorization by the Behavioral Health Program Manager or designee.

B. In-County Travel

County employees are authorized to travel within the County when said travel is required by the department and is considered a part of the routine, day-to-day official duties of the employee as defined and authorized by the department head or his/her designee. All other in-County travel requires advance authorization by the department head or his/her designee.

C. Out-of-County Travel

1. All travel outside of the County, but within the State of California, requires advance authorization by the department head, or his/her designee. Travel by immediate staff of a member of the Board of Supervisors requires the advance authorization of the respective Board member.

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2. All travel outside of the State of California requires advance written authorization by the department head, or his/her designee. Travel by immediate staff of a member of the Board of Supervisors requires the advance authorization of the respective Board member.

3. Authorization for out-of-state travel by current members of the Board of Supervisors is subject to the guidelines established by the Board.

D. Travel Requests

Travel requests that require department head authorization shall be submitted to the department head pursuant to department policy. If the traveler is requesting a travel advance, an approved "County of Monterey Travel Request" form (usually in the form of a "white claim" or "GAX"), accompanied by all documentation relative to the request, shall be forwarded to the Auditor-Controller.

V. TRAVEL EXPENSES

A. General Conditions

1. County travelers are entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals for authorized travel, subject to the conditions set forth in this Travel and Business Expense Reimbursement Policy ("Policy"), whenever the expenses are incurred as part of his/her official duties and authorized because the County traveler is required to work, attend a school, training, meeting or convention overnight at a location sufficiently distant from main or regular place of work to qualify under this policy for meal per diem and overnight lodging.

2. Notwithstanding Section 1 above, claims shall be paid subject to the rules set forth in this Policy and statutory law. Eligibility to submit a claim does not automatically entitle the claimant to reimbursement for any and all expenses.

3. County travelers receiving reimbursement from an outside source for travel on County time shall forward said reimbursement to the County Auditor-Controller for handling and deposit if the traveler intends to submit an expense claim to the County or use County resources to travel. Said travelers shall then be entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals, subject to the conditions set forth in this travel policy.

4. Arrangements for transportation, lodging or registration fees that have cancellation or change penalties shall be carefully monitored by the department. If cancellation/change occurs due to direction by the County traveler's department head, or his/her designee, or the County Administrative Officer, the County department will cover the penalty cost. If the cancellation/change occurs due to a traveler's personal request or obligations, the traveler will be required to pay the

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penalty. Exceptions shall be made when a traveler is unable to travel because of hospitalization, serious sickness or death of self or an immediate family member or when the department head certifies that the reason for the employee's absence was legitimate and authorized.

B. Transportation Expenses

1. General Conditions

a) Transportation expenses are the direct costs related to movement of the County traveler from authorized point of departure to destination of travel and back to the authorized point of return.

b) All transportation expenses incurred shall be based upon the most efficient, direct, and economical mode of transportation required by the occasion.

c) Whenever a time frame is established as criteria for eligibility for claiming, such as the requirements set forth for meals in Section V, subsection C. 1. d., estimated travel time shall be based upon legal vehicle speed limits, volume of traffic, and weather conditions in effect at the time of travel.

2. Vehicle Transportation

Vehicle use (both County-owned and private) by authorized County travelers during the conduct of official County business is subject to the County Vehicle Use Policy.

a) Private Vehicle

(1) Travel by private vehicle will be reimbursed at the IRS rate for business use of a personal vehicle in effect in the County at the time of travel.

(2) Authorized County travelers who travel in a vehicle other than their own may not claim mileage for business use of a private vehicle but may claim reimbursement of actual fuel expenses necessary for the trip and expended by the traveler. Receipts are required and should be claimed by the employee actually paying the expense.

(3) Authorized County travelers may not claim mileage for business use of a private vehicle in the following instances:

(a) when the County traveler is riding with someone who will be claiming reimbursement for the vehicle's use from the County or another source;

(b) when the County traveler is traveling in a County or other government

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agency vehicle;

(c) when the County traveler is traveling in a rented vehicle (paid by County);

(d) when the County traveler has been assigned a County Vehicle for home retention, is receiving an allowance or lump sum for mileage, unless specifically provided for in the terms of their agreement or contract with the County or by Board resolution.

(4) County employee mileage to the regular or main place of work from home, and back, is considered commuting and may not be claimed.

(5) County employee mileage to the temporary work location from home, and back, is considered commuting and may not be claimed except in the following cases:

(a) if the County employee is required to report to the regular or main place of work before reporting to the temporary work location, s/he is eligible for mileage from the regular or main place of work to the temporary work location;

(b) if the County employee is required to report to the regular or main place of work after working at the temporary work location and before going home, s/he is eligible for mileage from the temporary work location to the regular or main place of work.

(6) Mileage in conjunction with authorized County travel to and from a school, training, convention or meeting shall be based on the distance to the destination from the traveler's home or the regular or main place of work, whichever is less, except in the following cases:

(a) if the traveler is required to report to his/her work location before leaving, s/he is eligible for mileage to the school, training, convention/meeting from the work location.

(b) if the traveler is required to report to his/her work location before returning home, s/he is eligible for mileage based on the distance from the school, training, convention/meeting to the work location.

(7) Appointed volunteer members of County boards, commissions, or advisory committees may claim mileage to the official meetings of their respective boards from home, and back.

(8) Members of personnel interview panels may claim mileage to the panel location from their regular or main place of work, and back.

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(9) When two or more County travelers from the same department are traveling to the same site by vehicle, they should use only as many vehicles as are required to accommodate the number of travelers and business needs of the County. If a County traveler chooses to use a separate private vehicle because of personal preferences or obligations, h/she shall not be eligible for mileage or fuel reimbursement for the travel unless the department head determines that reimbursement is appropriate and justified.

(10) If a County traveler chooses to use a private vehicle instead of an alternative mode of transportation chosen by the department head because of personal preferences or obligations, his/her mileage reimbursement shall not exceed the cost of using the alternative mode of transportation unless the department head determines that the additional reimbursement is appropriate and justified.

b) County Vehicle Transportation

(1) County travelers using a County vehicle for traveling shall not be eligible for reimbursement for mileage.

(2) County travelers required to fuel a County vehicle at their own expense should claim the actual fuel costs expended by them. Receipts must accompany the claim. Vehicle license number and the odometer reading should be written on the receipts.

(3) If the County vehicle experiences mechanical failure, the County traveler shall follow the rules set forth in the "Mechanical Failure" section of the "Vehicle Operator's Handbook" located in the glove compartment of each County vehicle.

c) Rental Vehicle Transportation

(1) Vehicles may be rented for transportation at the destination point when the County traveler travels to the destination via commercial common carrier and the cost of the rental will be less than the charge for shuttle or taxi service to and from the carrier termination point to the function or hotel accommodations.

(2) Vehicles may be rented for transportation to the destination point when the cost of the rental will be less than other reasonable and available modes of transportation.

(3) If more than one County traveler from the same department is traveling to the same function, only one rental vehicle may be claimed and then only if

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it is available for use by all of the County travelers.

(4) The County traveler shall choose the least expensive size and mileage limits appropriate to the use required. Rental expenses for luxury cars, motorcycles and recreational vehicles may not be claimed.

(5) Rental cars shall be refueled prior to return to the rental agency to reduce cost to the County. Rental cars should be returned to the renting location and on time to avoid additional charges.

(6) When traveling domestically the County traveler shall waive additional vehicle insurance (except for additional driver and coverage for drivers under 25 years of age), provided that the employee has his/her own vehicle insurance coverage. When traveling internationally additional insurance should be accepted if the traveler lacks other similar coverage.

(7) An original car rental receipt showing the number of days and type of vehicle rented is required for vehicle rental claims. A copy of the receipt or a credit card receipt alone is insufficient.

d) Commercial Carrier Transportation

(1) County travelers shall seek and attempt to use the lowest rates available for the type of commercial carrier service being utilized. Whenever possible, travelers should take advantage of flight arrangements that minimize County cost (for example, purchasing a round trip ticket may be less expensive than two one-way tickets). Reservations should be made as far in advance as possible to take advantage of available discounts and special offers. Travel agents that have added ticket handling charges should be avoided.

(2) Claims for travel via commercial carrier shall be limited to the cost of travel at economy rates for the same day and time of travel or actual cost, whichever is less. County travelers may upgrade tickets, provided that the traveler and not the County pay for the difference in cost for such upgrade. The County will not reimburse any type of travel insurance unless the Department Head requests the traveler to purchase cancellation coverage. Reasonable baggage charges, if imposed by the airline, on the first checked bag are reimbursable.

(3) Claims for commercial carrier tickets shall be substantiated by an original ticket document (such as an e-ticket or passenger receipt ticket copy) showing the price, date, date/time of travel and class of travel. A copy of the credit card receipt or statement from a travel agency alone is insufficient.

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(4) County business traveler may retain frequent flyer/hotel rewards and similar program benefits. However, participation in these programs must not influence flight/hotel/etc. selection, which would result in incremental cost to the County beyond the lowest available airfare/hotel cost unless the difference is paid by the traveler. Free tickets or cash allowances for volunteering to be denied timely boarding may be retained by the traveler but no additional cost to the County or interruption of County work is allowed and any additional time required to complete the trip is to be personal time.

(5) Should a Saturday night stay reduce the cost to the County of a ticket more than the total of any additional hotel/meal/parking cost, the costs to do so are reimbursable to the traveler but should be well-documented with a clear savings to the County.

e) Private Aircraft Transportation

(1) Traveling by private aircraft which is flown by a County employee may be authorized if it will be the most efficient means of travel and the flight is incidental to the purpose of the County travel. Said use shall require the advance written approval of the County Administrative Officer. If approved, the following must be provided to the Auditor-Controller's Office in advance of the travel:

(a) a copy of the pilot's Federal Aviation Administration (FAA) pilot's certificate and instrument rating for the category and class of aircraft to be flown and the type of flying to be performed;

(b) a copy of the pilot's current medical certificate;

(c) a copy of the FAA Pilot Proficiency Award Program certificate issued to the pilot within the twelve months prior to the flight;

(d) a copy of the pilot's flight log showing a minimum of 250 hours of flight time within the twelve months prior to the flight;

(e) a certificate of public liability and property damage insurance of not less than $1,000,000 naming the County as an additional insured.

(2) Traveling by private aircraft, which is flown by a non-County employee, except for flights conducted by members of the Sheriff's Air Squadron in the performance of their official duties, is normally prohibited.

(3) County travelers who operate a private aircraft in connection with approved County travel may be reimbursed the actual cost paid by the

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traveler for fuel used by the aircraft on the trip or the County's mileage rate for each air mile at the travelers option.

f) Other Transportation Expenses

(1) The following necessary transportation expenses may be claimed at actual cost (receipt required) when directly related to transporting the County traveler to and from the business destination point:

(a) taxi, shuttle, or public transit fares;

(b) parking fees (airport long-term parking is required for travel exceeding 24 hours);

(c) bridge, road or ferry tolls;

(d) other actual transportation expenses determined to be reasonable and necessary by the department head and the Auditor-Controller.

(2) The following transportation expenses may not be claimed:

(a) traffic and parking violations;

(b) emergency repairs or non-emergency repairs on non-County vehicles;

(c) personal travel while at an out-of-County location;

(d) other actual transportation expenses determined to be unreasonable or unnecessary by the department head or the Auditor-Controller.

C. Meal Expenses

1. Eligibility for Meals

a) County employees, contractors and volunteers may be reimbursed for in-County meal costs that are 1) ordinary (not extravagant) and necessary, 2) directly related or associated with bona fide County business matters and 3) approved by a member of the Board of Supervisors or a department head (or his or her designee). County business discussions associated with a meal must be conducted in a "clear business setting".

b) County travelers involved with in-County travel that does not require an overnight stay away from their home are not eligible to claim for meals taken outside the County, unless the requirements of paragraph a) above are met, or unless provided for in a Board of Supervisor-approved written County policy.

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c) County travelers on out-of-County business travel that requires an overnight stay away from their home are eligible to claim for meals taken out-of-County.

d) County travelers are eligible to claim the meal reimbursements noted below for travel requiring overnight lodging if the total travel time (work time, plus the lunch period plus round-trip travel time) is estimated to equal or exceed 12 hours.

(1) Breakfast may be claimed if the County traveler must reasonably be away from home because of County business travel at or before 7:00 a.m.

(2) Lunch may be claimed if the County traveler must reasonably be away from home because of County business travel at or before Noon.

(3) Dinner may be claimed if the County traveler must reasonably be away from home because of County business travel at 7:00 p.m. or after.

e) Snacks are a personal expense, not reimbursable.

f) Claims for meals purchased by a County employee or volunteer on behalf of federal, state or local public officials or employees is prohibited, including any other Monterey County employees, unless provided for under other Board of Supervisor approved written County policies.

g) County travelers are not eligible to claim meals or other expenses for those persons who are not otherwise eligible to file a claim themselves for County reimbursement.

h) County travelers are not eligible to keep or claim per diem allowances for anyone other than themselves.

2. Meal Claims

a) The County maximum full day meal and incidental expenses rate shall be equal to the maximum federal per diem meal and incidental expenses (M&IE) rate established by the GSA. Said maximums include taxes and gratuities.

b) Meal expense amounts shall be calculated by the Auditor-Controller for first and last partial days of travel based on the maximum federal per diem meal rate for the appropriate meal(s).

c) Claims for out-of-County meals taken in conjunction with travel that includes an overnight stay away from the traveler's home shall be reimbursed in the form of a "per diem allowance", which means the traveler is eligible to be reimbursed at the maximum rate allowed and receipts are not required (except for Board of

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Supervisor Members). Partial days shall be reimbursed at the appropriate meal rate.

d) Allowable meal costs may only exceed the prescribed per diem rates if the meal is being served at a conference or workshop and the costs of the speaker, conference, and/or registration are included in the price. The agenda/brochure or other documentation describing the event and the price must accompany the claim to the Auditor-Controller's Office.

e) A County traveler may not claim a per diem allowance or reimbursement for any meal which is provided, or otherwise available, to the County traveler with the lodging or function, whether or not there is an actual charge for the meal. For example, if lunch is provided at the function or breakfast is included in the cost of lodging, the traveler may not claim a per diem allowance or request reimbursement for eating elsewhere. For purposes of this section, continental breakfast and meals provided during airline or other commercial carrier travel do not constitute provided meals and do not need to be deducted from the per diem allowance. A County traveler may not claim a per diem allowance for a meal that was paid for by someone else.

f) If a breakfast is included in the cost of lodging, the traveler may not claim for a breakfast meal; however, s/he may apply the next day's breakfast allowance amount towards the maximum lodging amount. For example, if the maximum lodging amount is $79.00 and the breakfast allowance is $8.00, the employee may claim up to a maximum of $87.00 for lodging which includes a continental breakfast. (For purposes of this section, continental breakfast does not constitute a provided breakfast meal.)

g) Claiming for alcoholic beverage expenses are prohibited in all cases.

h) As required by California Government Code 53232.2 Board of Supervisors members must provide receipts for all meals and will be reimbursed at the lower of the appropriate per diem amount or the actual expense.

D. Lodging Expenses

1. Eligibility for Lodging

a) County travelers are not eligible to claim for lodging for in-County functions.

b) For out-of-County business that is conducted on one business day, if the County traveler's actual time for the day is estimated to equal or exceed 12 hours (including work time, the lunch period and round-trip travel time), then the County traveler will have the option of securing one night's lodging at either the

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front-end or back-end of the trip. Illustration: A member of the County Board of Supervisors who resides in Monterey County is required to attend a one-day business meeting in Sacramento. The Board member estimates that his total time for the day without obtaining lodging would be 14 hours (8 hours of meetings, 1 hour for lunch and 5 hours for round-trip travel). The Board member will have the option of securing one night's lodging in Sacramento, either the night before the meeting, or after conclusion of the meeting.

c) For out-of-County business that requires multiple business days, if County travelers are eligible to claim lodging for the first and last evenings of an out-of-County trip, they are also eligible to claim lodging for any evenings that fall in between the first and last evenings of the trip.

d) County travelers are not eligible to claim reimbursement of lodging costs when staying overnight as a guest of friends or relatives.

2. Lodging Claims

a) Lodging expenses shall be claimed at either the actual cost of the lodging (limited to the single occupancy rate for a single room) or the County's maximum lodging rate (Federal Per Diem Rate), whichever is less. Receipts are required. Taxes are in addition to the Federal Per Diem Rate.

b) Lodging costs may exceed the County's maximum lodging rate only when a conference, meeting or convention is being sponsored by an organization of which the County, the department or employee is a member, the lodging may be claimed at the actual cost if seminars or meetings are to be held at the particular hotel and/or events are scheduled for evening hours, and the department head has given advance written authorization.

c) An original room folio receipt, showing the number of days and the number of occupants, is required for lodging claims. A copy of the receipt, travel agency statement or a credit card receipt alone is insufficient.

d) When a room is shared with a fellow County traveler, the expense may either be prorated, and the prorated amount claimed by each County traveler, or one County traveler may claim the total expense at the multiple occupancy rate.

e) When a room is shared with a person other than a County traveler and said person will also be claiming reimbursement from the County or another source, the amount shall be prorated between the two travelers.

f) Lodging expense may not be claimed for guests of the County traveler. Where expense for a family member or friend is included in the receipt, the claim must not exceed the single occupancy rate.

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g) Special lodging, such as accommodations in apartments, RV parks, campgrounds or other semi-permanent lodgings, shall require advance written authorization of the County Administrative Officer and the Auditor-Controller.

h) County travelers should inquire when making lodging arrangements whether the County is exempt from Transient Occupancy Taxes (TOT) in the locale where they are staying and should provide the necessary form to the lodging facility, if required to do so to obtain the waiver.

h) Except when registering for lodging at a pre-arranged group rate in conjunction with a conference or meeting, County travelers shall request the government rate or lowest available eligible rate when making lodging arrangements.

i) Travelers are responsible for canceling hotel rooms before the cancellation period ends and should record the cancellation number in case of disputes. Travelers will not be reimbursed for "no-show" hotel charges unless there are unavoidable reasons for not canceling the room.

j) When multiple country travelers are traveling together and the rooms are put on one invoice, one traveler may take care of the invoice but should provide the details on who stayed in each room on the invoice.

E. Registration Fees

Conference, convention and seminar registration and tuition fees may be claimed at the actual cost, provided that the agenda/brochure or other documentation describing the event, including the price, accompanies the approved claim to the Auditor-Controller's.

F. Other Travel Expenses

1. County travelers are eligible to claim a per diem incidental allowance, limited to the maximum federal per diem incidental rate established by the IRS, for each day of travel requiring an overnight stay away from the traveler's home. Said allowance covers fees and gratuities for persons who provide services, such as food servers and luggage handlers, and does not require receipts (Except for Board of Supervisors Meals). If applicable (such as a Board of Supervisor meal), gratuities are limited to not exceed 15% of the service costs unless billed by a provider's standard policy at a higher rate.

2. County travelers are eligible to claim the following expenses at actual cost, even if they also qualify for a per diem incidental allowance. Receipts are required.

   a) County business calls (traveler must annotate purpose of call on the bill)

   b) fax machine charges incurred to send or receive documents for County use.

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c) copy machine charges incurred to copy documents for County use.

d) Internet access connection and/or usage fees away from home not to exceed $15.00 per day, if Internet access is necessary for county related business.

e) other business related expenses determined to be reasonable and necessary by the department head and the Auditor-Controller.

VI. OTHER COUNTY BUSINESS EXPENSES

A. General Guidelines

In the course of conducting County business, employees, contractors or volunteers may incur business expenses (including meal expenses pursuant to Section V.C) on behalf of the County. Such expenses will be approved for reimbursement if the disbursement meets the following requirements:

- The disbursement is for an ordinary (not extravagant) and necessary expense of conducting County business, or is an expense that is required by the County,
- The expense is approved by a member of the County Board of Supervisors, or a County department head (or his or her designee), and
- The payee accounts for the expense in accordance with the rules for a "Accountable Expense Reimbursement Plan", as set forth in the Internal Revenue Code and related regulations.

B. Taxation of Business Expense Reimbursements

If a reimbursement to an employee, contractor or volunteer meets the requirements of an "Accountable Expense Reimbursement Plan", then such reimbursement will not be reportable for federal or California income tax purposes.

VII. CLAIMING PROCEDURES FOR OUT-OF-COUNTY TRAVEL

A. Travel Advance Claims

1. Authorizations and Eligibility

a) Travel advances are strongly discouraged and are only available to County employees. The issuance of travel advances creates double work for departmental and auditor-controller staff and should only be used if a County travel card cannot be used or the employee does not have a personal credit card. Board of Supervisors Members are not eligible for travel advances.

The first choice is for travelers to use their personal credit cards to pay for their

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travel expenses and be reimbursed before their monthly statement arrives. Secondly, the County has arranged for the use of the Travel Card to pay many travel related expenses. Departments may use their Travel Cards to pay for airline tickets and conference registration expenses for all of their employees, not just the cardholder. Commercial carrier and conference registration expenses should not be considered in the advance calculation. The third choice would be a cash advance, if necessary.

b) Travel advances require the authorization of the department head or his/her designee, and the Auditor-Controller or his/her designee.

c) The net amount of the travel advance shall not exceed the following:

(1) 75% of the total estimate for the following travel expenses, exclusive of payments made payable directly to the vendor:

(a) lodging (documentation, including at least the confirmation number and hotel name should be provided), including hotel parking

(b) rental vehicle transportation;

(c) per diem meal allowances;

(d) long-term airport parking;

(e) other out-of-pocket expenses deemed necessary and reasonable by the Auditor-Controller.

(2) 50% of the total estimate of reimbursement for mileage for business use of a private vehicle.

d) A travel advance shall not be issued for a net amount less than $100.00 nor more than $2,000.00.

e) A travel advance shall not be issued more than thirty (30) calendar days in advance of the commencement of travel.

f) Travelers are not eligible for an additional travel advance if they have an unsettled advance, unless the advances are for travel taken consecutively. In such case, the sum total of the travel advances shall not exceed $2,000.00.

2. Travel Advance Requests

a) Requests for travel advances involving travel shall be submitted by the department head to the Auditor-Controller's Office on a completed and signed

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"County of Monterey Travel Request" form, accompanied by all documentation relative to the request, at least ten (10) working days in advance of the commencement of travel.

b) After a completed and approved "County of Monterey Travel Request" form is received by the Auditor-Controller's Office, a warrant payable to the County traveler for the amount requested shall be issued, up to the 100% maximum amount allowed pursuant to this County travel policy.

3. Travel Advance Settlements

a) Within five (5) working days of completion of travel, the County traveler shall submit all receipts for allowable travel expenses to the Department and within fifteen (15) working days of completion of travel to the Auditor-Controller's Office on a completed County claim form. Credit for the travel advance shall be subtracted from the amount owed to the County traveler.

b) In the event that allowable expenses are less than the amount of the travel advance, the County traveler shall submit the difference in the form of a check or money order made out to the "County of Monterey" with the claim form.

c) County travelers who cannot provide a required receipt shall reimburse the County for the amount of the money advanced to them for that expense.

d) Travelers who do not submit the required documentation by the time frames set forth above may lose their eligibility for future travel advances.

e) Department heads are responsible for ensuring that their employees settle their travel advance claims within the time frames set forth in subsection a) above. Non-compliance may jeopardize advances for the entire department.

B. Prepaid Vendor Claims

1. Vendor Claim Requests

a) Once travel has been authorized, claims to the vendor may be submitted for lodging and registration fees when there is sufficient time for the check to be processed before the authorized County traveler commences travel.

b) If the travel requires a "County of Monterey Travel Request" form, the approved form shall be submitted with the claim. If the original has been submitted with a previous claim, then that shall be noted on the claim form and a copy of the form attached.

c) Whenever possible, the County shall be named as registrant for events to allow

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transfer of attendance privilege when conflicts prevent the original registrant from attending.

d) The County will mail the warrant directly to the vendor unless the traveler requests that the warrant be returned to them to hand carry to the vendor.

2. Vendor Claim Settlements

a) Each vendor claim must have an original receipt attached in order to settle the claim. The required receipts for vendor claims that have been prepaid shall be forwarded to the Auditor-Controller's Office within thirty (30) calendar days after completion of travel.

b) Claims paid directly to vendors that are not substantiated by receipts within thirty (30) calendar days of the completion of travel shall be considered to be unsettled travel advances to the County traveler.

c) Department heads are responsible for ensuring that their employees return their receipts within the time frames established by this policy. Non-compliance may jeopardize the department's ability to have travel expenses paid in advance.

d) In the event that all or a portion of the prepaid cost to a vendor is reduced after the check has been processed, the County traveler is responsible for ensuring that the entire difference is returned to the County within the time frames established for settling the claim.

C. Travel Reimbursement Claims

1. After completion of travel, the County traveler shall submit a completed County claim form to the department head for authorization. After review and authorization, the department head shall submit the authorized claim, together with any required receipts, to the Auditor-Controller's Office. Said claim shall be received by the Auditor-Controller's Office within thirty (30) calendar days of the completion of travel.

2. The traveler shall not be reimbursed until s/he has signed the certification for the claim that is required by the Auditor-Controller's Office.

3. The Auditor-Controller's Office shall review the claim for compliance with applicable County policies and procedures. If approved by the Auditor-Controller's Office, the claim shall be processed and a check sent to the claimant within ten (10) working days. If denied, or denied in part, the department's contact person will be notified immediately. The Auditor-Controller has the final decision on allowable expenses.

4. No reimbursement for travel shall be paid to the employee until all required receipts

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for the travel claim have been filed with the Auditor-Controller's Office.

5. Travel reimbursements are to be paid via checks and not to be paid via petty cash.

D. Mileage Claims

1. Whenever travel requires advance authorization of the department head, or his/her designee, the resulting mileage expense shall be claimed on the same claim form as the other expenses that apply to that travel. The only exception is if mileage is the only expense of the trip, in which case the traveler may claim the mileage on the monthly "Mileage Reimbursement" claim form.

2. Whenever travel does not require advance authorization of the department head, or his/her designee, the resulting mileage expense shall be claimed on the "Mileage Reimbursement" claim form.

3. Mileage claims shall be submitted monthly, unless the total for the month is less than $50.00, in which case the claim may be held for an additional month. However, the claim must not be held over to the next month more than twice, regardless of the dollar amount.

4. All mileage claims for the last month of the fiscal year must be processed by year-end close.

5. Mileage Claims are to be paid via warrants and not to be paid via petty cash.

E. Reimbursement by Outside Source

1. County travelers receiving reimbursement from an outside source for travel on County time shall forward said reimbursement to the Auditor-Controller for handling and deposit if the traveler intends to submit an expense claim to the County or use County resources, including a County vehicle, to travel. In such cases, the traveler shall then be entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals, subject to the claiming conditions set forth in this travel policy. Said reimbursement shall be delivered to the Auditor-Controller's Office within thirty (30) days of the receipt of the funds.

2. If a County volunteer or non-employee will be receiving a per diem or other reimbursement of travel expenses from a source outside of the County, the volunteer shall not be eligible to claim or receive any additional reimbursement from the County for the same expenses.

F. Late Claims

If a claim for reimbursement or settlement of a travel claim is submitted after the allowed time frames, the payment to the employee shall not be made until the claim has

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been reviewed and approved by the Auditor-Controller or his/her designee.

G. Travel Card Use

Subject to the rules contained in the Travel Card Policy, travel expenses (airline, hotel, vehicle rental, gas, emergency repair of county vehicles and airport parking) may be charged to County of Monterey Travel Cards. Prohibited items include employee meals, room service, movies, cash advances, gift cards of any kind, liquor, tobacco and other items prohibited by the Travel Card Policy. Under no circumstances should personal items (even if reimbursed to the county) be charged to the travel card. Expenses paid on the travel card should not be included on a claim for reimbursement.

VII. INTERPRETATIONS

The Auditor-Controller, or his/her designee, shall be responsible for interpretations of this policy.

VIII. EXCEPTIONS

Exceptions to this policy require the approval of the Auditor-Controller or his/her designee.

IX. CONFLICT WITH RULES

In the event that this County Travel policy is in conflict with another County policy, the policy with the strictest application shall prevail.

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Exhibit E:

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective March 1, 2024 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Pomphrey Consulting, LLC ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain Services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, The Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C (the "Security Rule"), (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, The Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, To the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, The Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA, sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirement.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

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1.1 All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in the Privacy Rule, the Breach Notification Rule, or the Security Rule.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402 and shall mean the access, acquisition, Use, or Disclosure of PHI in a manner not permitted under the Privacy Rule that compromises the privacy or security of the PHI; the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code §1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality of PHI or Personal Information, including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code §56, et seq.), the patient access law (Cal. Health & Safety Code §123100 et seq.), the HIV test result confidentiality law (Cal. Health & Safety Code §120975, et seq.), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code §5328, et seq.), and the medical identity theft law (Cal. Civil Code 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individuals, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. **PHI includes EPHI**.

(d) "Services" shall mean the services for or functions on behalf of Covered Entity performed by Business Associate pursuant to a Services Agreement between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws;

(b) Use or Disclose PHI for the purposes authorized by this BAA or as otherwise Required by Law;

(c) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

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(d) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached;

(f) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1); and

(g) De-identify any PHI obtained by Business Associate under this BAA in accordance with 45 C.F.R. § 164.514 and Use or Disclose such de-identified information only as required to provide Services pursuant to the a Services Agreement between the Parties, or with the prior written approval of Covered Entity.

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. With regard to its Use and/or Disclosure of PHI, Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted or required by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in a Breach. A ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request. If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall comply with the requirements of Section 3.1(a)(i) below;

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(i) Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and, if applicable, the media. Business Associate shall assist with the implementation of any decisions by Covered Entity to notify individuals or potentially impacted individuals;

(b) In consultation with the Covered Entity, Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing any required notification to affected individuals, appropriate government agencies, and, if necessary the media, including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or Personal Information has or may have been compromised as a result of the Breach;

(c) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(d) Obtain and maintain a written agreement with each of its Subcontractors that creates, maintains, receives, Uses, transmits or has access to PHI that requires such Subcontractors to adhere to the substantially the same restrictions and conditions with respect to PHI that apply to Business Associate pursuant to this BAA;

(e) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule. In addition, Business Associate shall promptly make available to Covered Entity such books, records, or other information relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity;

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(f) Document Disclosures of PHI and information related to such Disclosure and, within thirty (30) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) Subject to Section 4.4 below, return to Covered Entity within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(h) Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) If all or any portion of the PHI is maintained in a Designated Record Set:

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity to meet a request by an individual under 45 C.F.R. § 164.524. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for access to PHI from an Individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for amendment of PHI from an Individual;

(j) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(l) Unless prohibited by law, notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent

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that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge; and

(m) Maintain policies and procedures materially in accordance with State Confidentiality Laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

(b) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA and the HITECH Act. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA or the HITECH Act.

(c) Business Associate further acknowledges that uses and disclosures of protected health information must be consistent with NMC's privacy practices, as stated in NMC's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online at: http://www.natividad.com/quality-and-safety/patient-privacy . Business Associate agrees to review the NMC Notice of Privacy Practices at this URL at least once annually while doing business with NMC to ensure it remains updated on any changes to the Notice of Privacy Practices NMC may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) Provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) Notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI;

(c) Notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; and

(d) Notify Business Associate of any restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

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4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Section 4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity with a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its Subcontractors. In such event, Business Associate shall: (i) retain only that PHI which is necessary for Business Associate to continue its proper management and administration or carry out its legal responsibilities; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Section 2 above, which applied prior to termination; and (vi) return to Covered Entity the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 2.1, 4.4, 5.7, 5.8, 5.11, and 5.12 shall survive termination of this BAA until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this BAA, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA, the HITECH Act, or California Confidentiality

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Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Pomphrey Consulting
Attn: Michelle Pomphrey
2683 Spring Hill Rd
Staunton, VA 24401
Phone: 540-448-2770
Fax:

If to Covered Entity, to:

Natividad Medical Center
Attn: Compliance/Privacy Officer
1441 Constitution Blvd.
Salinas, CA 93906
Phone: 831-755-4111
Fax: 831-755-6254

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

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5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with the Privacy Rule, the Security Rule, and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any related or other agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Service Agreements and Business Associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs and expenses arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) business days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law.

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5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliant review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA, the HITECH Act, or the California Confidentiality Laws.

IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE

DocuSigned by:
By: Michelle Pomphrey
25053351897C4A1

Print Name Michelle Pomphrey

Print Title CEO

Date: 2/26/2024 | 5:07 PM PST

COVERED ENTITY

DocuSigned by:
By: Charles R. Harris
4E1F837D204E481...

Print Name: Charles R. Harris

Print Title: CEO

Date: 4/9/2024 | 9:29 AM PDT

Approved by the County of Monterey Board of Supervisors on 11/01/16 and revised on 12/09/16

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EXHIBIT F:
NATIVIDAD MEDICAL CENTER
INSURANCE MODIFICATION JUSTIFICATION

Vendor/Contractor Name: Pomphrey Consulting, LLC
Services Description: Trauma Registrar Staffing Services

Business Automobile Liability Insurance Requirements

Business Automobile Liability Insurance requirements are waived. CONTRACTOR shall be providing services completely remote.

Introduced: 8/11/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with Corinthian International Parking Services, Inc. pursuant to the Request for Proposals (RFP) #9600-96 for valet parking services for patients and visitors only at NMC, with an initial agreement term beginning September 1, 2025 through May 31, 2026, with the option to extend the agreement for two (2) additional periods; and for a total aggregate not-to-exceed amount of $298,692 for the initial nine-month term.

RECOMMENDATION:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with Corinthian International Parking Services, Inc. pursuant to the Request for Proposals (RFP) #9600-96 for valet parking services for patients and visitors only at NMC, with an initial agreement term beginning September 1, 2025 through May 31, 2026, with the option to extend the agreement for two (2) additional periods; and for a total aggregate not-to-exceed amount of $298,692 for the initial nine-month term.

SUMMARY/DISCUSSION:

NMC issued a Request for Proposal (RFP) #9600-96 on Friday, June 13, 2025 to solicit for one agreement for valet parking services from qualified vendors. On Monday, July 7, 2025 NMC received two (2) proposals from vendors submitted for consideration. All proposals were evaluated pursuant to the criteria stated in the RFP #9600-96. Upon a thorough selection process, NMC identified the top qualified vendor as Corinthian International Parking Services, Inc. based on the ranking set forth by the NMC selection team.

Corinthian International Parking Services Inc., based in Campbell, CA, has been tentatively selected to provide valet parking services at NMC. With extensive experience in the healthcare sector, Corinthian currently operates over 30 parking and transportation service programs across California. Their healthcare clients include San Mateo Medical Center, Sutter Health, UC Davis Health, Kaiser Permanente, and Salinas Valley Health.

The selection of Corinthian International Parking Services Inc.to provide valet services directly supports enhancing the patient experience, improving accessibility, reducing stress for patients and families, and streamlining traffic flow across the campus. This valet parking solution is intended as a short-term measure to accommodate parking needs while NMC undergoes a solar construction project, which is expected to last approximately nine months.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this agreement as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The agreement has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this agreement is $298,692 of which $298,692 is included in the FY2025-26 Adopted Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6613.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

In alignment with the Board of Supervisors' strategic initiatives in Health and Human Services, Corinthian International Parking Services Inc.'s valet services at NMC will enhance patient access, reduce stress, and streamline traffic flow. By prioritizing valet services, we are advancing a more efficient, compassionate, and community-focused healthcare environment that improves the overall experience for patients and visitors alike.

__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Felipe Enriquez, Director of Engineering and Safety, 831-783-2614
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
Agreement with Corinthian International Parking Services, Inc. Awarded per RFP #9600-96

Attachments on file with the Clerk of the Board

Introduced: 8/11/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

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short-term measure to accommodate parking needs while NMC undergoes a solar construction project, which is expected to last approximately nine months.

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__ Economic Development
__ Administration
X Health and Human Services
__ Infrastructure
__ Public Safety

Prepared by: Felipe Enriquez, Director of Engineering and Safety, 831-783-2614
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
Agreement with Corinthian International Parking Services, Inc. Awarded per RFP #9600-96

Attachments on file with the Clerk of the Board

AGREEMENT BETWEEN COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER AND CORINTHIAN INTERNATIONAL PARKING SERVICES, INC.

This AGREEMENT is made and entered into by and between County of Monterey, on behalf of Natividad Medical Center, a political subdivision of the State of California, (hereinafter referred to as "COUNTY"), and Corinthian International Parking Services, Inc., hereinafter referred to as "CONTRACTOR."

1.0 RECITALS

County of Monterey ("County") owns and operates Natividad, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the "Clinic") under its acute care hospital license.

WHEREAS, COUNTY has invited proposals through the Request for Proposals RFP# 9600-96 for to provide **VALET PARKING SERVICES**, in accordance with the specifications set forth in this AGREEMENT; and

WHEREAS, CONTRACTOR has submitted a responsive and responsible proposal to perform such services; and

WHEREAS, CONTRACTOR has the expertise and capabilities necessary to provide the services requested; and

NOW THEREFORE, COUNTY and CONTRACTOR, for the consideration hereinafter named, agree as follows:

2.0 PERFORMANCE OF THE AGREEMENT

2.1 After consideration and evaluation of the CONTRACTOR'S proposal, COUNTY hereby engages CONTRACTOR to provide the services set forth in RFP #9600-96 and in this AGREEMENT on the terms and conditions contained herein and in RFP #9600-96. The intent of this AGREEMENT is to summarize the contractual obligations of the parties. The component parts of this AGREEMENT include the following:

This AGREEMENT including all its attachments, Exhibits and Appendix
RFP #9600-96 plus all associated Addenda
CONTRACTOR'S Proposal dated July 7,2025
Certificate of Insurance
Additional Insured Endorsements

2.2 All of the above-referenced contract documents are intended to be complementary. Work required by one of the above-referenced contract documents and not by others shall be done as if required by all. In the event of a conflict between or among component parts of the

contract, the contract documents shall be construed in the following order: plus, RFP #9600-96 Addenda, CONTRACTOR's Qualifications Package, Certificate of Insurance and Additional Insured Endorsements.

2.3 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this AGREEMENT are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this AGREEMENT and are not employees of the County, or immediate family of an employee of the County.

2.4 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this AGREEMENT that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

2.4.1 CONTRACTOR must maintain all licenses throughout the term of the AGREEMENT.

2.5 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this AGREEMENT, except as otherwise specified in this AGREEMENT. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this AGREEMENT.

3.0 SCOPE OF SERVICE

3.1. General Information

CONTRACTOR shall provide valet parking services at Natividad Medical Center (NMC) for a temporary assignment not-to-exceed nine (9) months, beginning on September 1, 2025, with the option for two (2) additional one-month terms at COUNTY's discretion. The valet service is intended to enhance the accessibility and convenience of parking for patients and visitors, ensuring a customer-service-focused experience.

3.2. Service Location and Hours

- The valet service shall operate from a single valet station at a location pre-determined by NMC.
- The valet station shall be manned from **7:30 AM to 6:00 PM**, Monday through Friday.
- CONTRACTOR shall provide its own valet podium at the designated valet station.

3.3. CONTRACTOR Responsibilities

- CONTRACTOR shall provide a well-trained and professional valet staff to ensure a seamless parking experience for NMC patients and visitors requiring valet parking services while at NMC.
- CONTRACTOR shall ensure valet staff is knowledgeable, courteous, and customer-service oriented.
- CONTRACTOR shall ensure that valet staff have a clean DMV record, have a clear criminal record, and pass a drug test prior to employment with CONTRACTOR.
- CONTRACTOR shall park visitor valet vehicles in designated area further discussed in Exhibit-C: Campus Map.
- CONTRACTOR shall maintain ADA compliance in all valet parking operations.
- CONTRACTOR shall ensure that valet personnel do not accept tips from customers.
- CONTRACTOR shall implement efficient procedures for managing vehicle intake and return.
- CONTRACTOR shall provide clear signage to direct patients and visitors to the valet station.
- CONTRACTOR shall ensure appropriate insurance coverage for valet operations as required by NMC.

3.4. After-Hours Procedures

- CONTRACTOR shall provide an after-hours key return box and system at a monthly rate of $435, as per discussed in ***Exhibit-A: Scope of Work/Payment Provisions***.

3.5. Compliance and Regulations

- The vendor must adhere to all relevant local, state, and federal laws regarding valet parking operations.
- All valet attendants must be trained in ADA compliance to ensure equal access to services for individuals with disabilities.
- The vendor must follow all safety protocols to prevent accidents or damage to vehicles.

3.6. Customer Experience and Quality Assurance

- Valet personnel must wear professional, easily identifiable uniforms (color red preferred).
- Staff must be trained in handling customer interactions professionally and courteously.
- The vendor must develop a system for collecting customer feedback and addressing concerns in a timely manner.

3.7. Duration and Termination

- The valet parking service will be a **temporary assignment lasting no longer than nine (9) months**, commencing on September 1, 2025, with the option for two (2) additional one-month terms at COUNTY’s discretion.
- COUNTY reserves the right to terminate the agreement at any time if service standards are not met.

3.8. Invoicing

- CONTRACTOR shall invoice COUNTY for services rendered in accordance with ***Exhibit-A: Scope of Work/Payment Provisions***, attached hereto (subject to change if NMC determines actual demand requires valet staffing adjustments).

3.9 Staffing

- CONTRACTOR shall provide valet staffing in accordance with ***Exhibit-B: Staffing Schedule*** for the first 15 days of the start of the Agreement. After the initial 15 days of service, NMC shall determine valet staffing needs based on actual demand.
- NMC shall reserve the right to a 15-day evaluation period to determine actual demand and adjust valet staffing needs as NMC deems necessary. This may include but not be limited to revising ***Exhibit B: Staffing Schedule.***

4.0 TERM OF AGREEMENT

4.1 The initial term shall commence on September 1, 2025 through and including May 31, 2026, with the option to extend the AGREEMENT(s) two (2) additional one (1) month periods. COUNTY is not required to state a reason if it elects not to renew this AGREEMENT.

4.2 CONTRACTOR shall commence negotiations for any desired fee changes a minimum of sixty days (90) prior to the expiration of this AGREEMENT in order to be considered.

4.2.1 Both parties shall agree upon changes to fees in writing.

4.3 COUNTY reserves the right to cancel this AGREEMENT, or any extension of this AGREEMENT, without cause, with a thirty day (30) written notice, or immediately with cause.

5.0 COMPENSATION AND PAYMENTS

5.1 COUNTY shall pay CONTRACTOR in accordance with the payment provisions set forth in ***Exhibit A: Scope of Work/Payment Provisions*** subject to the limitations set forth in this Agreement. The total amount payable by COUNTY to CONTRACTOR under this Agreement shall not exceed the sum of $365,068.

5.2 CONTRACTOR billing rates attached to the Agreement shall remain firm for the initial term of this AGREEMENT. Any proposed rate adjustments shall adhere to Section 4.2 and 4.2.1 herein.

5.3 Any discount offered by the CONTRACTOR must allow for payment after receipt and acceptance of services, material or equipment and correct invoice, whichever is later. In no case will a discount be considered that requires payment in less than 30 days.

5.4 CONTRACTOR shall levy no additional fees or surcharges of any kind during the term of this AGREEMENT without first obtaining approval from COUNTTY in writing.

5.5 Tax:

5.5.1 Pricing as per this AGREEMENT is inclusive of all applicable taxes.

5.5.2 County is registered with the Internal Revenue Service, San Francisco office, and registration number 94-6000524. The County is exempt from Federal Transportation Tax; an exemption certificate is not required where shipping documents show Monterey County as consignee.

6.0 INVOICES AND PURCHASE ORDERS

6.1 Invoices for all services rendered per this AGREEMENT shall be billed directly Natividad Medical Center at the following address:

Natividad Medical Center
Attn: Accounts Payable
PO Box 81611
Salinas, CA 93912

6.2 CONTACTOR shall reference RFP #9600-96 on all invoices submitted to Natividad Medical Center. CONTRACTOR shall submit such invoices periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. Natividad shall certify the invoice, either in the requested amount or in such other amount as Natividad approves in conformity with this AGREEMENT, and shall promptly submit such invoice to County Auditor-Controller for payment. County Auditor- Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.3 All Natividad Purchase Orders issued for the AGREEMENT are valid only during the fiscal year in which they are issued (the fiscal year is defined as July 1 through June 30).

6.4 Unauthorized Surcharges or Fees: Invoices containing unauthorized surcharges or unauthorized fees of any kind shall be rejected by NMC. Surcharges and additional fees not included the AGREEMENT must be approved by NMC in writing via an Amendment.

7.0 INDEMNIFICATION

7.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey, including its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death

arising out of or connected with CONTRACTOR's performance of this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County of Monterey. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

8.0 INSURANCE REQUIREMENTS

8.1 **Evidence of Coverage**: Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

8.2 Qualifying Insurers: All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

8.3 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

Professional Liability Insurance: if required for the professional services being provided, in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage

shall continue for at least three years following the expiration or earlier termination of this Agreement.

8.4 Other Requirements: All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status: The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

Primary Coverage: For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory as respects the County, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Workers' Compensation Waiver of Subrogation: The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance and endorsements with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way

modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

8.5 **Garagekeepers Legal Liability insurance** with limits of not less than $100,000 per vehicle and $500,000 aggregate to cover loss or damage to vehicles left in the care, custody, or control of CONTRACTOR while performing valet services. This insurance shall provide protection for loss or damage caused by fire, theft, vandalism, collision, or other perils while vehicles are parked or being moved by CONTRACTOR's personnel.

8.**6 Crime insurance** policy with a limit of not less than $250,000 per occurrence to provide coverage for losses resulting from employee dishonesty, including but not limited to theft of money, securities, or personal property belonging to NMC, its patients, visitors, or other third parties. Coverage must include Third Party Crime coverage, ensuring protection for acts committed by CONTRACTOR's employees against property not owned by CONTRACTOR.

9.0 RECORDS AND CONFIDENTIALITY

9.1 Confidentiality: CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this AGREEMENT, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this AGREEMENT except for the sole purpose of carrying out CONTRACTOR's obligations under this AGREEMENT.

9.2 County of Monterey Records: When this AGREEMENT expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from NMC to perform services under this AGREEMENT.

9.3 Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and COUNTY and Natividad Medical Center rules and regulations related to services performed under this AGREEMENT.

9.4 Access to and Audit of Records: Natividad Medical Center (COUNTY) have the right to examine, monitor and audit all records, documents, conditions, and activities of CONTRACTOR and its subcontractors related to services provided under this AGREEMENT. The parties to this AGREEMENT may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State

Auditor pertaining to matters connected with the performance of this AGREEMENT for a period of three years after final payment under the AGREEMENT.

9.5 CONTRACTOR agrees that any information, whether proprietary or not, made known to or discovered by it during the performance of or in connection with this AGREEMENT for COUNTY will be kept confidential and not be disclosed to any other person. CONTRACTOR agrees to immediately notify COUNTY in accordance with the Notices Section of this AGREEMENT, if it is requested to disclose any information made known to or discovered by it during the performance of or in connection with this AGREEMENT. These conflict of interest and future service provisions and limitations shall remain fully effective five (5) years after termination of services to COUNTY hereunder.

10.0 NON-DISCRIMINATION

10.1 During the performance of this contract, CONTRACTOR shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination.

10.2 The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, §12900, et seq., set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.

10.3 CONTRACTOR shall include the non-discrimination and compliance provisions of the clause in all agreements with subcontractors to perform work under the contract.

11.0 OVERRIDING CONTRACTOR PERFORMANCE REQUIREMENTS

11.1 Independent Contractor: CONTRACTOR shall be an independent contractor and shall not be an employee of Monterey County, nor immediate family of an employee of County. CONTRACTOR shall be responsible for all insurance (General Liability, Automobile, Workers' Compensation, unemployment, etc.,) and all payroll-related taxes. CONTRACTOR shall not be entitled to any employee benefits. CONTRACTOR shall control the manner and means of accomplishing the result contracted for herein.

11.2 Minimum Work Performance Percentage: CONTRACTOR shall perform with his own organization contract work amounting to not less than 50 percent of the original total AGREEMENT amount, except that any designated 'Specialty Items' may be performed by subcontract and the amount of any such 'Specialty Items' so performed may be deducted from the original total AGREEMENT amount before computing the amount of work required to be performed by CONTRACTOR with his own organization or per a consortium.

11.3 Non-Assignment: CONTRACTOR shall not assign this contract or the work required herein without the prior written consent of County.

11.4 Any subcontractor shall comply with all of COUNTY requirements, including insurance and indemnification requirements as detailed in SAMPLE AGREEMENT.

12.0 CONFLICT OF INTEREST

12.1 CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this AGREEMENT. Without limitation, CONTRACTOR represents to and agrees with COUNTY that CONTRACTOR has no present, and will have no future, conflict of interest between providing COUNTY hereunder and any other person or entity (including but not limited to any federal or state environmental or regulatory agency) which has any interest adverse or potentially adverse to COUNTY, as determined in the reasonable judgment of the Board of Supervisors of County.

13.0 COMPLIANCE WITH APPLICABLE LAWS

13.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

13.2 CONTRACTOR shall report immediately to Natividad's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations and guidelines that are in force at the time such documentation is prepared.

13.4 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT. If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this AGREEMENT, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

14.0 DRUG FREE WORKPLACE

14.1 CONTRACTOR and CONTRACTOR'S employees shall comply with the County's

policy of maintaining a drug free workplace. Neither CONTRACTOR nor CONTRACTOR'S employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any County facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads no contest to a criminal drug statute violation occurring at a County facility or work site, the CONTRACTOR shall, within five days thereafter notify the head of the NMC department/agency for which the AGREEMENT services are performed. Violation of this provision shall constitute a material breach of this AGREEMENT.

15.0 TIME OF ESSENCE

15.1 Time is of the essence in respect to all provisions of this AGREEMENT that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this AGREEMENT.

16.0 PERFORMANCE ASSURANCE

16.1 Assurance of Performance: If at any time COUNTY believes CONTRACTOR may not be adequately performing its obligations under this AGREEMENT or that CONTRACTOR may fail to complete the Services as required by this AGREEMENT, County may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to County, to correct the observed deficiencies in CONTRACTOR'S performance. CONTRACTOR shall provide such written assurances and written plan within ten (10) calendar days of its receipt of COUNTY's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this AGREEMENT. If COUNTY accepts the plan it shall issue a signed waiver.

16.1.1 Waiver: No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this AGREEMENT shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

17.0 TRAVEL REIMBURSEMENT

17.1 Travel reimbursements are not permitted for this AGREEMENT.

18.0 EMERGENCY SITUATIONS

18.1 CONTRACTOR shall provide the name and contact information of a representative who shall be available 24 hours a day, 7 days a week, in the event of an emergency. During the emergency, CONTRACTOR shall provide COUNTY with all available supplies, materials, equipment and/or services on a priority basis.

18.2 COUNTY expects emergency deliveries to occur within 4 hours of order placement and may be required during evenings, weekends, and holidays. Time is of the essence for delivery during emergency situations. Delivery location(s) and estimated arrival will be mutually agreed upon, by COUNTY and CONTRACTOR, at time of order and will be determined based on need and existing conditions. It is understood that current conditions, such as power outages, road closures, and damages to CONTRACTOR's facility and/or equipment, will be taken into consideration.

19.0 NON-APPROPRIATIONS CLAUSE

19.1 Notwithstanding anything contained in this AGREEMENT to the contrary, if insufficient funds are appropriated, or funds are otherwise unavailable in the budget for COUNTY for any reason whatsoever in any fiscal year, for payments due under this AGREEMENT, COUNTY will immediately notify CONTRACTOR of such occurrence, and this AGREEMENT shall terminate after the last day during the fiscal year for which appropriations shall have been budgeted for COUNTY or are otherwise available for payments.

20.0 NOTICES

20.1 Notices required to be given to the respective parties under this AGREEMENT shall be deemed given by any of the following means: (1) when personally delivered to NMC's contract administrator or to CONTRACTOR'S responsible officer; (2) when personally delivered to the party's principle place of business during normal business hours, by leaving notice with any person apparently in charge of the office and advising such person of the import and contents of the notice; (3) 24 hours after the notice is transmitted by FAX machine to the other party, at the party's FAX number specified pursuant to this AGREEMENT, provided that the party giving notice by FAX must promptly confirm receipt of the FAX by telephone to the receiving party's office; or, (4) three (3) days after the notice is deposited in the U. S. mail with first class or better postage fully prepaid, addressed to the party as indicated below.

20.2 Notices mailed or faxed to the parties shall be addressed as follows:

TO NMC:
Natividad Medical Center

Attn: CONTRACTS DIVISION
1441 Constitution Blvd
Salinas, CA 93906
PHONE 831-755-4111

TO CONTRACTOR:
Corinthian International Parking Services,Inc.

2990 Winchester Blvd.
Cambell, CA
95008

21.0 LEGAL DISPUTES

21.1 CONTRACTOR agrees that this AGREEMENT and any dispute arising from the relationship between the parties to this AGREEMENT, shall be governed and interpreted by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.

21.2 Any dispute that arises under or relates to this AGREEMENT (whether contract, tort, or both) shall be resolved in the Superior Court of California in Monterey County, California.

21.3 CONTRACTOR shall continue to perform under this AGREEMENT during any dispute.

21.4 The parties agree to waive their separate rights to a trial by jury. This waiver means that the trial will be before a judge.

22.0 GENERAL PROVISIONS

22.1 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

22.2 Entire Agreement. This Agreement is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties. Subject to Section 22.3, no other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Agreement.

22.3 Exhibits. The attached Exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Agreement and are incorporated by reference into this Agreement, wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

22.4 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of this Agreement.

22.5 Statutes and Regulations. Any reference in this Agreement to any statute, regulation, ruling, or administrative order or decree shall include, and be a reference to any successor statute, regulation, ruling, or administrative order or decree.

22.6 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO Natividad

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: _____

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor/Controller

Date: _____

CONTRACTOR

Corinthian International Parking Services
Contractor's Business Name*** (see instructions)

Signature of Chair, President, or Vice-President

TODD FEDOE PRESIDENT
Name and Title

Date: 7-28-25

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Sherri Carnesecca CFO
Name and Title

Date: 7-28-25

***Instructions:

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

Option #2

Cost Category	Unit	Rate	Quantity/mo.*	Cost/mo.*	Comments/ Notes
Valet Staff Wages	Per hour/ per valet	$37.30	672	$25,065.60	This monthly cost is based on 5 FTE valet parking attendants.
Supervisor/Manager Oversight	Per hour	$43.85	168	$7,366.80	This hourly rate is for a Full-Time working Site Manager
Insurance Coverage	Per month	-	-	$320.00	This monthly premium specifically covers the required Crime Coverage. All other insurance is already included.
Adminsitrative/ Overhead Costs	-	-	-	$0.00	All Admin and Management Costs are included within the hourly staff bill rates
Ticketless Valet Technology	-	-	see page 7	$0.00	Real-Time Metrics and Weekly Reporting Unlimited Surveys Included
After-Hours Key Return System	Per month (optional)	$435.00	see page 8	$435	This is optional, should you choose to utilize this technology in place of, or alongside, the on-site security team. The monthly fee applies for the first 12 months, with a reduced rate of $149/month thereafter.

*monthly rate based on 21-serviceday month

Monthly Cost (valet services only) $33,188

9-Month Cost (Total Cost, valet services only) $298,692

Exhibit-B:

Staffing Schedule*

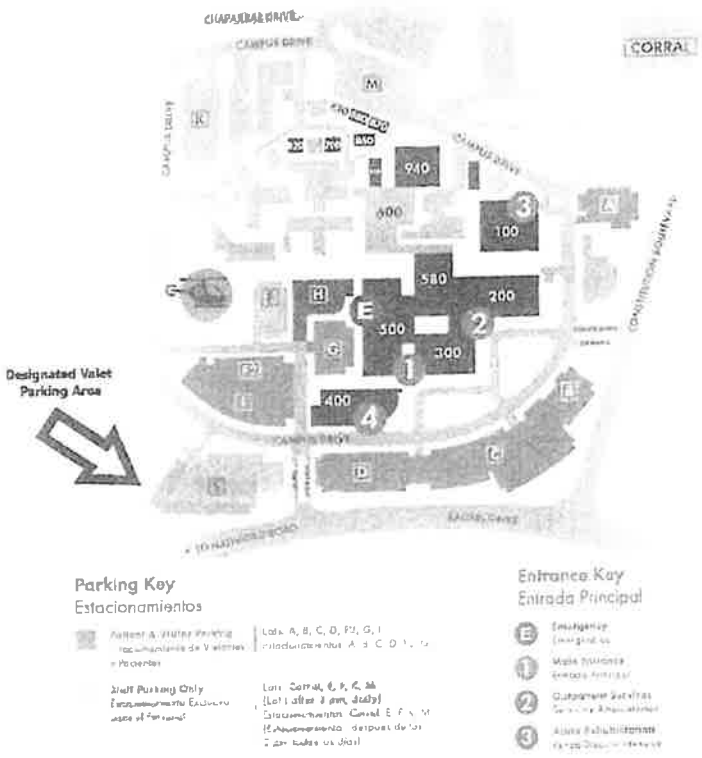
Option #2

	SUN	MON	TUE	WED	THU	FRI	SAT
MANAGER		7:30a - 4:00p	7:30a - 4:00p	7:30a - 4:00p	7:30a - 4:00p	7:30a - 4:00p	
VA-01		7:00a - 3:30p	7:00a - 3:30p	7:00a - 3:30p	7:00a - 3:30p	7:00a - 3:30p	
VA-02		8:00a - 4:30p	8:00a - 4:30p	8:00a - 4:30p	8:00a - 4:30p	8:00a - 4:30p	
VA-03		9:30a - 6:00p	9:30a - 6:00p	9:30a - 6:00p	9:30a - 6:00p	9:30a - 6:00p	
VA-04		9:45a - 6:15p	9:45a - 6:15p	9:45a - 6:15p	9:45a - 6:15p	9:45a - 6:15p	

- * NMC shall reserve the right to a 15-day evaluation period to determine actual demand and adjust valet staffing needs as NMC deems necessary. This may include but not be limited to revising ***Exhibit B: Staffing Schedule.***

NMC Campus Map

Campus Map



Introduced: 8/11/2025

Current Status: Natividad Medical Center - Consent

Version: 1

Matter Type: BoS Agreement

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute Amendment No. 2 to the Agreement with California United Mechanical, Inc. dba United Mechanical, Inc. for chiller preventive maintenance and repair services, extending the agreement an additional two (2) year period (April 15, 2026 through April 14, 2028) for a revised full agreement term of April 15, 2021 through April 14, 2028, and adding $300,000 for a revised total Agreement amount not-to-exceed $405,000.
b. Authorize the Chief Executive Officer for Natividad Medical Center or his designee to execute up to three (3) future amendments to the Agreement which do not significantly alter the scope of work and do not cause an increase of more than 10% ($7,500) of the original cost of the agreement, for total contract liability of ($412,500).

RECOMMENDATION:

It is recommended the Board of Supervisors:

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute Amendment No. 2 to the Agreement with California United Mechanical, Inc. dba United Mechanical, Inc. for chiller preventive maintenance and repair services, extending the agreement an additional two (2) year period (April 15, 2026 through April 14, 2028) for a revised full agreement term of April 15, 2021 through April 14, 2028, and adding $300,000 for a revised total Agreement amount not-to-exceed $405,000.

b. Authorize the Chief Executive Officer for Natividad Medical Center or his designee to execute up to three (3) future amendments to the Agreement which do not significantly alter the scope of work and do not cause an increase of more than 10% ($7,500) of the original cost of the agreement, for total contract liability of ($412,500).

SUMMARY/DISCUSSION:

United Mechanical continues to play an essential role in supporting NMC's critical infrastructure, particularly in the maintenance, repair, and troubleshooting of our MRI chiller, hospital chillers, and HVAC systems. These systems are fundamental to the hospital's daily operations, directly affecting patient care, equipment functionality, and overall environmental control.

Key Contributions:
MRI Chiller Maintenance: Ensures optimal temperature regulation for MRI systems, which is crucial for accurate imaging and equipment longevity.

Hospital Chillers & HVAC Systems: Provides ongoing service and rapid response troubleshooting, helping maintain comfortable and safe temperatures throughout clinical and administrative areas.

Specialized Expertise: United Mechanical brings mechanical and control systems specialists into our operational framework. Their partnership offers both immediate technical support and long-term strategic value.

The relationship with United Mechanical enhances our facility's reliability and responsiveness. Their integrated approach to mechanical and controls management strengthens our preventive maintenance program and supports compliance with healthcare operational standards. The approval of the recommended action will allow United Mechanical to continue providing preventive maintenance and repair services on our critical infrastructure.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this Amendment No. 2 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The Amendment No. 2 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this Amendment No. 2 is $300,000 of which $75,000 is included in the FY 2025-26 Adopted Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6321

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The preventative maintenance and repair services provided by this vendor are vital to supporting various mechanical systems at NMC. Their ongoing involvement ensures that we are well-positioned to address both current and future mechanical and control system needs.

__ Economic Development
__ Administration
___ Health and Human Services
_X_ Infrastructure
__ Public Safety

Prepared by: Felipe Enriquez, Director of Engineering and Safety, 783-2614
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
California United Mechanical, Inc. dba United Mechanical, Inc. Amendment No. 2
California United Mechanical, Inc. dba United Mechanical, Inc. Amendment No. 1
California United Mechanical, Inc. dba United Mechanical, Inc. Agreement

Attachments on file with the Clerk of the Board

Introduced: 8/11/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute Amendment No. 2 to the Agreement with California United Mechanical, Inc. dba United Mechanical, Inc. for chiller preventive maintenance and repair services, extending the agreement an additional two (2) year period (April 15, 2026 through April 14, 2028) for a revised full agreement term of April 15, 2021 through April 14, 2028, and adding $300,000 for a revised total Agreement amount not-to-exceed $405,000.

b. Authorize the Chief Executive Officer for Natividad Medical Center or his designee to execute up to three (3) future amendments to the Agreement which do not significantly alter the scope of work and do not cause an increase of more than 10% ($7,500) of the original cost of the agreement, for total contract liability of ($412,500).

RECOMMENDATION:

It is recommended the Board of Supervisors:

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute Amendment No. 2 to the Agreement with California United Mechanical, Inc. dba United Mechanical, Inc. for chiller preventive maintenance and repair services, extending the agreement an additional two (2) year period (April 15, 2026 through April 14, 2028) for a revised full agreement term of April 15, 2021 through April 14, 2028, and adding $300,000 for a revised total Agreement amount not-to-exceed $405,000.

b. Authorize the Chief Executive Officer for Natividad Medical Center or his designee to execute up to three (3) future amendments to the Agreement which do not significantly alter the scope of work and do not cause an increase of more than 10% ($7,500) of the original cost of the agreement, for total contract liability of ($412,500).

SUMMARY/DISCUSSION:

United Mechanical continues to play an essential role in supporting NMC's critical infrastructure, particularly in the maintenance, repair, and troubleshooting of our MRI chiller, hospital chillers, and HVAC systems. These systems are fundamental to the hospital's daily operations, directly affecting patient care, equipment functionality, and overall environmental control.

Key Contributions:
MRI Chiller Maintenance: Ensures optimal temperature regulation for MRI systems, which is crucial for accurate imaging and equipment longevity.

Hospital Chillers & HVAC Systems: Provides ongoing service and rapid response troubleshooting, helping maintain comfortable and safe temperatures throughout clinical and administrative areas.

Specialized Expertise: United Mechanical brings mechanical and control systems specialists into our operational framework. Their partnership offers both immediate technical support and long-term strategic value.

The relationship with United Mechanical enhances our facility's reliability and responsiveness. Their integrated approach to mechanical and controls management strengthens our preventive maintenance program and supports compliance with healthcare operational standards. The approval of the recommended action will allow United Mechanical to continue providing preventive maintenance and repair services on our critical infrastructure.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved this Amendment No. 2 as to form, and the Auditor-Controller has reviewed and approved as to payment provisions. The Amendment No. 2 has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on August 8, 2025.

FINANCING:

The cost for this Amendment No. 2 is $300,000 of which $75,000 is included in the FY 2025-26 Adopted Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6321

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The preventative maintenance and repair services provided by this vendor are vital to supporting various mechanical systems at NMC. Their ongoing involvement ensures that we are well-positioned to address both current and future mechanical and control system needs.

__ Economic Development
__ Administration
___ Health and Human Services
_X_ Infrastructure
__ Public Safety

Prepared by: Felipe Enriquez, Director of Engineering and Safety, 783-2614
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
California United Mechanical, Inc. dba United Mechanical, Inc. Amendment No. 2
California United Mechanical, Inc. dba United Mechanical, Inc. Amendment No. 1
California United Mechanical, Inc. dba United Mechanical, Inc. Agreement

Attachments on file with the Clerk of the Board

AMENDMENT NO. 2
TO SERVICES AGREEMENT
BETWEEN CALIFORNIA UNITED MECHANICAL, INC. DBA UNITED MECHANICAL, INC. AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
CHILLER PREVENTATIVE MAINTENANCE

This Amendment No. 2 to the Services Agreement ("Agreement") which was effective on April 15, 2021 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and California United Mechanical, Inc. dba United Mechanical, Inc. ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for Chiller Preventative Maintenance with a term April 15, 2021 through April 14, 2024 and a total Agreement amount not to exceed $75,000; and

WHEREAS, the Parties amended the Agreement via Amendment No. 1 to extend the term for an additional two (2) year period through April 14, 2026 for a revised full agreement term of April 15, 2021 through April 14, 2026 to allow for services to continue, and to increase the payable amount by $30,000 for a total Agreement amount not-to-exceed of $105,000; and

WHEREAS, the Parties wish to amend the Agreement to extend the term for an additional two (2) year period (April 15, 2026 through April 14, 2028) for a revised full Agreement term of April 15, 2021 through April 14, 2028, to allow for services to continue with additions to the original scope of work attached hereto as, "Exhibit A-2 per Amendment No. 2" and an increase of $300,000 to the payable amount, for a total Agreement amount not-to-exceed of $405,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement, and in Amendment No. 1 incorporated herein by this reference, except as specifically set forth below.

1. The second sentence of paragraph titled, "GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED" shall be amended to the following:
"The services are generally described as follows: hospital-wide chiller and HVAC preventive maintenance and repair."

2. The second sentence of paragraph titled, "PAYMENTS BY COUNTY" shall be amended to the following:
"The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $405,000."

3. Paragraph titled, "TERM OF AGREEMENT" shall be amended to the following:
"The term of this Agreement is from April 15, 2021 through April 14, 2028 unless sooner terminated pursuant to the terms of this Agreement."

4. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 2 and shall continue in full force and effect as set

forth in the Agreement, and in Amendment No. 1.

5. A copy of this Amendment No. 2 shall be attached to the Agreement.

6. This Amendment No. 2 shall be effective when signed by the Parties.

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

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IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 2 on the basis set forth in this document and have executed this Amendment No. 2 on the day and year set forth herein.

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: _____
Monterey County Deputy County Counsel

Date: _____

APPROVED AS TO FISCAL PROVISIONS

By: _____
Monterey County Deputy Auditor/Controller

Date: _____

CONTRACTOR

California United Mechanical Inc. dba United Mechanical Inc
CONTRACTOR's Business Name
See instructions below

Signed by: Frank Nacimiento 28102378FA7D425...
By: _____
(Signature of: Chair, President, or Vice-President)

Senior Vice President
Name and Title

Signed by: Frank Nacimiento 28102378FA7D425...
Date: _____

Signed by: Brian Sosine 28102378FA7D425...
By: _____
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Brian Sosine, Senior Vice President
Name and Title

Signed by: Brian Sosine 28102378FA7D425...
Date: _____

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Exhibit A-2 per Amendment No. 2

Preventive Maintenance and Repair Rates Sheet (Hospital Wide Chiller Units and HVAC Work)

Chiller Preventative Maintenance

Central Plant Chiller Annual Preventive Maintenance Services

Our mission is to ensure the safety, energy efficiency, reliability, and asset value of your mechanical systems. As a Preventive Maintenance Agreement client, you receive preferred pricing and priority access to one of the most skilled and experienced service organizations in Northern California. Our integrated HVAC and Plumbing offerings provide you with a single resource for the complete mechanical and control systems of your facility.

We provide the following to deliver on our promise of unmatched service excellence:

- Rapid response emergency service 24/7/365, with your preference of electronic or phone-in service requests.
- State-of-the-art diagnostic and service tools. We invest heavily to make sure our technicians have access to the best tools and training resources in the industry.
- Advanced dispatching and mobile technology systems. Our office team and service fleet can share and access the same critical information in real time, resulting in unmatched speed of response, quality, and cost savings.
- In-house engineering services and project management teams for larger scale projects. Our specialized service, repair, and retrofit/modernization expertise includes the following:

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- Centrifugal, screw, rotary, and reciprocating chillers. We are one of the only firms in the state which possess in-house expertise across all major chiller manufacturers.
- DDC controls.
- Customized VFD, power distribution, and control panel upgrades.
- Energy analysis and optimization.
- Water and steam boiler service and installation, both HVAC and plumbing applications.
- Humidification and dehumidification systems.
- Kitchen ventilation refrigeration systems.
- Mission critical data/computer room cooling systems.
- Plumbing system service and repair, including process compressors and chillers, vacuum pumps, and backflow preventer certification.
- Magnetic bearing compressors.
- Packaged, split, VRF, and built-up DX systems.
- Cooling towers, fluid coolers, and evaporative condensers.
- Water source heat pumps.
- Variable speed drives.
- Axial and centrifugal fans.
- Hydronic recirculation and domestic booster pumping systems.

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UMI Rep: Jason Fletcher **Submittal Date:**

Customer:

Company:	**Natividad**
Contact:	
Billing Address:	**1441 Constitution Blvd Salinas, Ca 93912**
Email:	**signorelliw@natividad.com**
Cell Phone:	**1-831-755-4220**

Job Site:

Company:	**Natividad**
Contact:	
Job Site Address:	**1441 Constitution Blvd Salinas, Ca 93912**
Email:	**signorelliw@natividad.com**
Cell Phone:	**1-831-755-4220**

Scope

Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety (90) days prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (NMC) and the CONTRACTOR.

United Mechanical, Inc. (UMI) shall perform preventive maintenance service tasking as described in this agreement.

We shall report to the person(s) or office designated by Customer during all scheduled service visits.

We shall provide written reports of all findings or adjustments made during maintenance visits. Any recommended work outside of the scope of this agreement shall be submitted for Customer approval.

Agreement Pricing:

Total Annual inspection one time a year Price Including Condenser Tube Brushing:.....**$ 9,437.00**
Total Quarterly inspection three times a year Price:.....**$ 5,198.00**
Total EDDY Current for Condenser and Evaporator every 3 to 5 years Price:.....**$ 7,583.00**

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HIGH PRESSURE ANNUAL INSPECTION TASKING

- Check in with the Customer Representative.
- Record and report abnormal conditions, measurements taken, etc.
- Review customer logs with customer for operational problems, trends and compare to design conditions.
- Provide an electronic report of completed work, written operating log, and indicate any deficiencies detected.

General Assembly

- Check and record refrigerant level if applicable.
- Inspect for leaks and report leak results.
- Check vanes for free and smooth operation.
- Check mechanical linkages for wear.
- Check condition of insulation.
- Brush clean condenser tubes and replace gasket if needed.

Controls and Safeties

- Verify all settings in the control panel.
- Inspect the control panel for cleanliness.
- Inspect wiring and connections for tightness and signs for overheating and discoloration.
- Verify the operation of the vane control system.
- Verify the working condition of all indicator / alarm lights and LED / LCD displays.
- Verify the operation of the oil sump temperature control device.
- Verify the high condenser pressure safety device. Calibrate if applicable and record setting.
- Verify the low evaporator temperature safety device. Calibrate if applicable and record setting.
- Verify the low oil pressure safety device. Calibrate if applicable and record setting.
- Verify the high motor temperature safety device. Calibrate if applicable and record.
- Verify the operation of chilled water pump and condenser water pump flow switches and/ or starter auxiliary Contacts if applicable.

Lubrication System

- Pull oil sample for spectroscopic analysis. Make recommendations to the customer based on the results of the test.
- Measure and record the oil pump voltage and amperage.
- Verify the operation of the oil heater. Measure amps and compare readings with the watt rating of the heater.
- Change the oil filter and oil return filters.
- Verify the oil level.

Motor and Starter

- Clean the starter and cabinet.
- Inspect wiring and connections for tightness and signs of overheating and discoloration.
- Check condition of the contacts for wear and pitting.
- Check contactors for free and smooth operation.
- Check the mechanical linkages for wear, security, and clearances.
- Check tightness of the motor terminal connections
- Meg the motor and record reading.
- Verify the operation of the electrical interlocks.

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HIGH PRESSURE QUARTERLY INSPECTION

- Check in with the Customer Representative.
- Record and report abnormal conditions, measurements taken, etc.
- Review customer logs with customer for operational problems, trends and compare to design conditions.
- Check the general operation of the unit.
- Log the operating temperatures, pressures, voltages, and amperages.
- Check the operation of the control circuit
- Check the operation of the lubrication system.
- Check the operation of the motor and starter.
- Analyze the recorded data. Compare the data to the design conditions.
- Review operating procedures with operating personnel.
- Provide an electronic report of completed work, written operating log, and indicate any deficiencies detected.

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Rates:

- Trip Charge is $90.00.
- Recovery Charge is $225.00
  - Recovery Charge covers the cost of cleaning the tanks after each chiller refrigerant recovery. This helps avoid any cross contamination in between chillers, buildings, and/or customers.

7-01-2024 to 6-30-25		
Area	**Rate Category**	**Hourly Rate**
Hospital Wide Chillers	Straight Time	$220.00
	Overtime	$286.00
	Double-time	$352.00
HVAC	Straight Time	$193.00
	Overtime	$251.00
	Double-time	$309.00

7-01-2025 to 6-30-26		
Area	**Rate Category**	**Hourly Rate**
Hospital Wide Chillers	Straight Time	$226.00
	Overtime	$294.00
	Double-time	$358.00
HVAC	Straight Time	$198.00
	Overtime	$257.00
	Double-time	$317.00

7-1-2026 to 6-30-27		
Area	**Rate Category**	**Hourly Rate**
Hospital Wide Chillers	Straight Time	$232.00
	Overtime	$302.00
	Double-time	$364.00
HVAC	Straight Time	$203.00
	Overtime	$263.00
	Double-time	$325.00

7-1-2027 to 6-30-28		
Area	**Rate Category**	**Hourly Rate**
Hospital Wide Chillers	Straight Time	$238.00
	Overtime	$310.00
	Double-time	$370.00
HVAC	Straight Time	$208.00
	Overtime	$269.00
	Double-time	$333.00

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This proposal does not include any permits, fees, engineering, labor, and materials that may be required to correct any condition pre-existing or found at the time of the work. Anything not specifically mention above is excluded. Refrigerant is extra. No extra work will be performed without prior authorization and will be brought to your attention when found during the disassembly process. Any additional time incurred due to on-site training, testing or delays caused by others will be billed in addition to the quoted amount at our hourly labor rate. If these delays are significant enough to cause the quoted job to run into overtime, that will be billed separately. All work is estimated to be performed Monday – Friday, 7:00 am – 4:00 pm.

Prevailing Wages: CONTRACTOR shall comply with provisions of the Labor Code (sections 1720, et seq.) governing public works, including payment of prevailing wages, payroll records and employment of apprentices. Copies of the determination of the general prevailing rate of per diem wages are available to interested parties at: http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm.
DIR Registration: During the entire term of this Agreement CONTRACTOR shall be registered with the California Department of Industrial Relations as a Public Works Contractor pursuant to Division 2, Part 7, Chapter 1, commencing with section 1720 of the California Labor Code. CONTRACTOR shall also fully comply with all SB 854 requirements.
Posting of Prevailing Wages at Job Site: CONTRACTOR and NMC agree that CONTRACTOR shall be responsible for posting a copy of the determination of the prevailing wage rate of per diem wages at each job site for which CONTRACTOR provides services under this agreement to remain compliant with California Labor Code 1773.2.

Introduced: 7/28/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute the Student Placement Agreement ("Agreement") with Sonoma State University with a term of August 26, 2025 to June 30, 2027 for the placement of students within the Health Department to complete internship/externship assignments as part of their respective field education and service-learning requirements; and
b. Approve the recommendation of the Director of Health Services to accept modifications to indemnification provisions of the Agreement.

RECOMMENDATION:
It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute the Student Placement Agreement ("Agreement") with Sonoma State University with a term of August 26, 2025 to June 30, 2027 for the placement of students within the Health Department to complete internship/externship assignments as part of their respective field education and service-learning requirements; and
b. Approve the recommendation of the Director of Health Services to accept modifications to indemnification provisions of the Agreement.

SUMMARY DISCUSSION:
The County of Monterey Health Department's Clinic Services Bureau (Health Department) operates ten community clinic sites designated as Federally Qualified Health Center (FQHC), which provide preventive, primary, and specialty medical care services.

The Health Department has the ability to provide a learning environment in the clinic for students who require practical field experience education, while also increasing potential to attract future job candidates to the Health Department workforce. This Agreement with Sonoma State University is based on the Board-approved Student Placement Agreement template that was approved by the Board on May 4, 2021, and provides the County of Monterey with standards of policy, procedures, and best practices for student placement.

Although the Health Department is requesting modifications to the indemnification provisions to this Agreement, it continues to be the goal of the Health Department to use the template pre-approved by the Monterey County Board of Supervisors for each participating university and/or college to help streamline administrative processing and reduce timeline for execution.

While this work is not directly in support of a Health Department strategic initiative, it is in support of one of one or more of the ten essential public health services, specifically: 4.

Mobilize community partnerships and action to identify and solve health problems; and 8. Assure competent public and personal health care workforce.

OTHER AGENCY INVOLVEMENT:
The office of County Counsel has reviewed the Agreement as to form. Risk Management has reviewed as to risk provisions.

FINANCING:
There are no fiscal provisions included in this Agreement.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Daniel Garcia, Management Analyst I, 755-1293
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Student Placement Agreement

Introduced: 7/28/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute the Student Placement Agreement ("Agreement") with Sonoma State University with a term of August 26, 2025 to June 30, 2027 for the placement of students within the Health Department to complete internship/externship assignments as part of their respective field education and service-learning requirements; and
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SUMMARY DISCUSSION:
The County of Monterey Health Department's Clinic Services Bureau (Health Department) operates ten community clinic sites designated as Federally Qualified Health Center (FQHC), which provide preventive, primary, and specialty medical care services.

The Health Department has the ability to provide a learning environment in the clinic for students who require practical field experience education, while also increasing potential to attract future job candidates to the Health Department workforce. This Agreement with Sonoma State University is based on the Board-approved Student Placement Agreement template that was approved by the Board on May 4, 2021, and provides the County of Monterey with standards of policy, procedures, and best practices for student placement.

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While this work is not directly in support of a Health Department strategic initiative, it is in support of one of one or more of the ten essential public health services, specifically: 4.

Mobilize community partnerships and action to identify and solve health problems; and 8. Assure competent public and personal health care workforce.

OTHER AGENCY INVOLVEMENT:
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FINANCING:
There are no fiscal provisions included in this Agreement.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Daniel Garcia, Management Analyst I, 755-1293
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Student Placement Agreement

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STUDENT PLACEMENT AGREEMENT
BETWEEN
THE COUNTY OF MONTEREY, BY AND THROUGH
THE COUNTY OF MONTEREY HEALTH DEPARTMENT,
AND
SONOMA STATE UNIVERSITY

THIS AGREEMENT is made and entered into this 26 day of August, 2025 between **Sonoma State University** ("Institution") and the County of Monterey, on behalf of Monterey County Department of Health ("COUNTY").

A. Institution is committed to service in the community and applied learning experiences for students. This is accomplished both through field education and service-learning requirement. Field education and service learning involve the completion of internship or externship assignments in the local community that tie meaningful learning experiences directly to course content. Through reflective activities, service, and field seminars, students enhance their understanding of course content, sense of civic responsibility, self-awareness, professional development, and commitment to the community.

B. The mission of the COUNTY is to excel at providing quality services for the benefit of all Monterey County residents while developing, maintaining and enhancing the resources of the region.

C. COUNTY and Institution recognize the opportunity for meaningful learning experiences for Institution, COUNTY, and students. Institution supports the goals and objectives of the COUNTY program in which students will participate.

D. Health services provided and administered by the COUNTY are governed by but not limited to: Health Insurance Portability and Accountability Act of 1996, 45 C.F.R. Part 160 and Part 164 as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations; California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 et seq.; Lanterman-Petris-Short Act [Welfare and Institutions Code Section 5000 et seq.]; California Code of Regulations, Title 22, § 51009; Confidential Nature of Records; Welfare and Institutions Code section 14100.2 and 42 Code of Federal Regulations section 431.300 et.seq.

The parties agree as follows:

I. INSTITUTION'S RESPONSIBILITIES

A. Student Profile. Institution shall make available to COUNTY a field application student profile which shall include the student's name, address, telephone number, other pertinent information. The COUNTY shall review student applications and select students for internship with the COUNTY. Each student shall be responsible for submitting his or her

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student profile before the Program training period begins. COUNTY shall regard this information as confidential and shall use the information only to identify each student.

B. Schedule of Assignments. Institution shall notify COUNTY designated staff of student assignment, including the name of the student, level of academic preparation, and length and dates of proposed experience. The maximum number of students shall be mutually agreed by the parties. The starting date and length of each Program training period shall be mutually agreed by the parties.

C. Program Coordinator. Institution shall designate a point of contact to coordinate with COUNTY's designee in planning the Program to be provided to students.

D. Records. Institution shall maintain all personnel records for its staff and all academic records for its students. COUNTY will ensure any records kept for student performance are sent to the Institution as proof of student accomplishments.

E. Student Qualifications: Institution shall provide appropriate health and safety training to all students on a regular basis, in accordance with prevailing Federal and State laws and regulations. Institution shall require that each student designated by Institution for clinical and/or practicum experience under this Agreement shall meet the minimum qualifications for a student in the designated Program. Additionally, Institution shall ensure that: (i) all students have documented training to meet OSHA Regulations on occupational Exposure to Blood-borne Pathogens prior to the beginning of the internship experience; and (ii) each student assigned to the COUNTY meet the COUNTY's requirements, see Exhibit A. Where Institution maintains any and all records of such testing, such records shall be made available to COUNTY upon request.

F. Health Insurance. Institution shall ensure each student has his or her own health insurance if not provided by the Institution.

G. Student Responsibilities. Institution shall notify students in the program that they are responsible for:

1) Complying with COUNTY's clinical and administrative policies, procedures, rules, and regulations, as outlined in Exhibit A of this Agreement.

2) Arranging for his/her own transportation and living arrangements.

3) Assuming responsibility for personal illnesses, necessary immunizations, tuberculin tests, annual health examinations and other requirements as identified by the COUNTY; refer to Exhibit A for COUNTY training requirements.

4) Maintaining the confidentiality of patient information.

a) No student shall have access to or have the right to receive any medical record, except when necessary in the regular course of the practicum

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experience. The discussion, transmission, or narration in any form by students of any individually identifiable patient information, medical or otherwise, obtained in the course of the program is forbidden except as a necessary part of the practical experience.

b) Neither the Institution nor its employees or agents shall be granted access to individually identifiable information unless the patient has first given consent using a form approved by COUNTY that complies with applicable state and federal law as defined in Recital D of this Agreement and its implementing regulations.

c) COUNTY shall reasonably assist student in obtaining patient consent in appropriate circumstances when applicable. In the absence of consent, students shall use de-identified information only in any discussions about the clinical experience with Institution, its employees, or agents.

5) Complying with COUNTY's dress code and wearing name badges identifying themselves as Student Intern, if specified by COUNTY.

6) Students should be informed and aware of the hazards currently known to be associated with the novel coronavirus referred to as "COVID-19." Students acknowledge and agree to follow all current County health and safety requirements as may be required by local, state and/or federal laws, including the use of Personal Protective Equipment.

7) Insurance requirements. See Section V.

H. Field Experience Plan. Institution shall assist in establishing a plan/learning agreement for the field experience by mutual agreement between the COUNTY's representative and the Institution's Field Faculty representative and the student.

I. Field Conference. Institution may facilitate periodic conferences between appropriate representatives of the Field Faculty and COUNTY to evaluate the field experience program provided under this Agreement.

II. COUNTY RESPONSIBILITIES

A. Field Experience. At the COUNTY's discretion, COUNTY shall accept from Institution the student and shall provide the student with a supervised field experience.

B. COUNTY Designee. COUNTY shall designate a member of its staff to participate with Institution's designee in planning, implementing, and coordinating the Program. COUNTY shall notify the Institution in advance of any change in the COUNTY's personnel appointments that may affect the student field program.

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C. Access to Facilities. COUNTY shall permit students enrolled in the Program access to COUNTY facilities as appropriate and necessary for their Program, provided that the students' presence shall not interfere with COUNTY's activities.

D. Records and Evaluations. COUNTY shall maintain complete records and reports on student's performance and provide an evaluation to Institution on forms the Institution shall provide.

E. Withdrawal of Students. COUNTY shall have the right to immediately terminate a student's placement/assignment if student who, in the judgment of the COUNTY, is not participating satisfactorily or refuses to follow the COUNTY's administrative policies, procedures, rules and regulations, including but not limited to inappropriate behavior, dress and/or hygiene, and non-compliance with the use of Personal Protective Equipment, as may be required by health and safety protocols. COUNTY shall immediately notify the student and the Institution by telephone or in person. The student and representative(s) of the Institution may meet the COUNTY to determine whether the student will be reinstated in the internship assignment at the COUNTY, and if so, upon terms and conditions determined by COUNTY to be appropriate.

F. Emergency Health Care/First Aid. COUNTY shall, on any day when a student is receiving training at its facilities, ensure student has access to emergency health care or first aid for accidents occurring in its facilities at Institution and/or student expense.

G. COUNTY's Confidentiality Policies. As trainees, students shall be considered members of COUNTY's "workforce," as that term is defined by the HIPAA regulations at 45 C.F.R. § 160.103, and shall be subject to COUNTY's policies respecting confidentiality of medical information (as defined in Recital D). If Institution suspects a breach of any of these policies, Institution must notify the COUNTY Privacy Officer immediately. Notwithstanding any provision of this Agreement to the contrary, in the event of a breach of this Section, the County of Monterey shall have the right to seek direct damages from the Institution.

III. AFFIRMATIVE ACTION AND NON-DISCRIMINATION

The parties agree that all students receiving field education training pursuant to this Agreement shall be selected without discrimination on account of race, color, religion, national origin, ancestry, disability, marital status, gender, gender identity, sexual orientation, age or veteran status.

IV. STATUS OF STUDENTS

Institution represents that the students enrolled in the Program are in attendance for educational purposes, and such students are not considered employees of Institution or of the COUNTY for any purpose, including, but not limited to, payroll taxes, withholdings, compensation for services, welfare and pension benefits, or workers' compensation insurance. Students are considered members of COUNTY's "workforce" for purposes of Recital D compliance and COUNTY policies and procedures. If the student is a paid employee of the

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COUNTY, the student will be covered under the COUNTY's insurance policies, including Workers' Compensation, to the extent available to other employees.

V. INSURANCE

The Institution and COUNTY mutually agree that each shall provide and maintain commercial general liability insurance acceptable to both parties in the minimum amounts of $1,000,000 per occurrence and $3,000,000 general aggregate. Each shall be responsible for providing the other with a Certificate of Insurance evidencing the required coverage prior to execution of this agreement.

The parties shall each further secure and maintain at all times during the term of this Agreement, at their respective sole expense, professional liability insurance covering themselves and their respective employees. Such coverage provided by the Institution and COUNTY may be afforded via commercial insurance, self-insurance, a captive, or some combination thereof at limits of at least $1,000,000 per claim or occurrence and $3,000,000 in the aggregate.

The Institution shall maintain or shall cause each student to maintain professional liability, public liability, and property damage insurance in the amount of $1,000,000 for any single occurrence and a minimum of $3,000,000 in the aggregate during the trainee's supervised field experience. The Institution shall furnish proof of such insurance coverage prior to execution of this agreement.

In addition, Institution shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

The Institution shall provide commercial general liability and automobile liability Endorsement(s) naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the Institution's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Institution's insurance.

Student Automobile liability insurance, students who drive to/from any clinical work location, must provide proof of valid California driver's license for in-state students or other valid state driver's license for out-of-state students and proof of insurance.

Workers' Compensation Insurance, if Institution employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's

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Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

Except for ten (10) days' notice of non-payment, the Institution and the COUNTY will require thirty (30) days written notice if the policy is canceled, non-renewed, or coverage/limits that are reduced or materially altered.

VI. INDEMNIFICATION.

The Institution shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "COUNTY"), its officers, agents, employees, or subcontractors from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Institution and/or its officers, agents, employees, ~~students~~ or subcontractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of the COUNTY and/or its officers, agents, employees and subcontractors. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the COUNTY. ~~The Institution shall reimburse the COUNTY for all costs, attorneys' fees, expenses, and liabilities incurred with respect to any litigation in which the Institution is obligated to indemnify, defend and hold harmless the COUNTY under this Agreement.~~

DS

VII. TERM AND TERMINATION

A. Term. This Agreement shall be effective as of the date first written above and shall remain in effect until June 30, 2027.

B. Renewal. This Agreement may be renewed by mutual agreement.

C. Termination. This Agreement may be terminated at any time by the written agreement or upon thirty (30) days' advance written notice by one party to the other.

VIII. GENERAL PROVISIONS

A. Amendments. In order to ensure compliance with HIPAA, the following provisions of this Agreement shall not be subject to amendment by any means during the term of this Agreement or any extensions: Section I, Paragraph G, subdivisions 4.a), 4.b), and 4.c); Section II, Paragraph G, to the extent it provides that students are members of COUNTY's "workforce" for purposes of HIPAA; Section II, Paragraph E; and Section IV. This Agreement may otherwise be amended at any time by mutual agreement of the parties without additional consideration, provided that before any amendment shall take effect, it shall be reduced to writing and signed by the parties.

B. Assignment. Neither party shall voluntarily or by operation of law, assign or otherwise transfer this Agreement without the other party's prior written consent. Any purported assignment in violation of this paragraph shall be void.

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C. Attorney's Fees. In the event that any action is brought by either party to enforce or interpret the terms of this Agreement, each party shall bear its own attorney's fees and costs.

D. Captions. Captions and headings in this Agreement are solely for the convenience of the parties, are not a part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement or any of its provisions.

E. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

F. Entire Agreement. This Agreement is the entire agreement between the parties. No other agreements, oral or written, have been entered into with respect to the subject matter of this Agreement.

G. Governing Law. The validity, interpretation, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of California.

H. Notices. Notices required under this Agreement shall be sent to the parties by certified or registered mail, return receipt requested, postage prepaid, at the addresses set forth below.

Sonoma State University Judy Vincenti Contracts Analyst, Contracts & Procurement 1801 E Cotati Ave Rohnert Park, CA 94928 (707) 664-4618	County of Monterey, Department of Health Director, Department of Health 1270 Natividad Salinas, CA 93906 Phone: (831) 755- 4500

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IX. EXECUTION

By signing below, each of the following represent that they have authority to execute this Agreement and to bind the party on whose behalf their signature is made.

INSTITUTION

DocuSigned by:
By: Judy Vincent
18746FA086F8407...
Name: Judy Vincent
Title: Contract Analyst
Date: 7/21/2025 | 2:55 PM PDT

COUNTY OF MONTEREY

By: _____
Name:
Title: Director of Health
Date: _____

APPROVED AS TO LEGAL FORM:

DocuSigned by:
By: Stacy Saetta
C0E6E1B09E444A9...
Deputy County Counsel

Date: 7/23/2025 | 10:30 AM PDT

APPROVED AS TO RISK PROVISIONS:

DocuSigned by:
By: David Bolton
B3E7A6BE51DD8446...
Risk Management

Date: 7/23/2025 | 10:33 AM PDT

Docusign Envelope ID: FEBF7F0D-07C1-4AAE-A979-65E1BF7515B0

EXHIBIT A

The County of Monterey Department of Health (MCH) policies/procedures listed below indicate the pertinence to this specific internship. The County of Monterey Department of Health reserves the right to amend the policies/procedures below and add additions as needed.

The following is a list of activities students must complete to become/remain an Intern:

I. **Pre-Boarding** (After Student is Matched but *Before* Student is Accepted as a MCH Intern)

a. Complete Intern Application
b. Pass Live Scan
c. Provide DMV Printout
d. Provide Driver's License
e. NPI number (for interns who will provide clinical services)

II. **On-Boarding**

a. Health Department Human Resources (HD HR) Orientation – First day of Internship
    i. Review and sign the following policies
        1. Drug Free Workplace
        2. HIV/AIDS
        3. Asbestos Notification
        4. Vehicle Use*
        5. Discrimination and Sexual Harassment
        6. Smoke Free
        7. Information Technology Appropriate Use
        8. Protected Information
    ii. Complete TB Blood Draw
b. By end of first week of Internship review and sign the following policies
    i. Confidentiality*
    ii. Compliance

Items followed by an asterisk * require Interns to take and pass an on-demand course within the first week of their on-boarding.

Introduced: 7/30/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive three (3) year Standard Agreement with Frank Hespe, Attorney-At-Law, to provide hearing officer services for the Behavioral Health Bureau in the amount of $26,700 for FY 2025-2026, $26,700 for FY 2026-2027, and $26,700 for FY 2027-2028, for a maximum County obligation of $80,100 for the term of July 1, 2025 through June 30, 2028; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($8,010) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $88,110.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive three (3) year Standard Agreement with Frank Hespe, Attorney-At-Law, to provide hearing officer services for the Behavioral Health Bureau in the amount of $26,700 for FY 2025-2026, $26,700 for FY 2026-2027, and $26,700 for FY 2027-2028, for a maximum County obligation of $80,100 for the term of July 1, 2025 through June 30, 2028; and
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SUMMARY/DISCUSSION

The Lanterman-Petris-Short Act mandates a certification review hearing for all persons to be certified for involuntary mental health treatment. Frank Hespe, Attorney-At-Law, provides services as the hearing officer for certification review hearings. The County contracted with Frank Hespe, Attorney-At-Law from FY 2020-2025 for hearing officer services. This Agreement renews and updates the agreement with Frank Hespe, Attorney-At-Law, ending June 30, 2025, for another three (3) year from July 1, 2025 to June 30, 2028.

During contract discussions, the updated cyberliability insurance requirement within the Business Associate Agreement made it difficult for Frank Hespe, an individual, to obtain. Due to the delay in obtaining the required insurance and contract rate negotiations, with direction for an effective date of July 1, 2025, the agreement took additional time to review and agendize, which by necessity makes the agreement retroactive when presented to your board.

This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and

an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s):" 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:
This Agreement is 100% funded by 1991 Realignment funding. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst II, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Introduced: 7/30/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

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☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst II, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Docusign Envelope ID: CDA805C8-766A-4C27-B401-2554B76C7197

COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

FRANK HESPE, ATTORNEY-AT-LAW

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide: Services as Hearing Officer in certification review hearings

2.0 PAYMENT PROVISIONS:

2.01 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 80,100

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from July 1, 2025 to June 30, 2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other: Certification Review Hearing Form;
Exhibit C: Assurance and Compliance with Monterey County's Cultural Competency Policy
Exhibit D: Business Associate Agreement
Exhibit E: Cost Reimbursement Form
Addendum #1

Docusign Envelope ID: CDA805C8-766A-4C27-B401-2554B76C7197

5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 CONTRACTOR shall not receive reimbursement for mileage or travel expenses unless set forth in this Agreement.

7.0 TERMINATION:

DS FH 7/28/2025 | 1:17 PM PDT DS FH 7/28/2025 | 1:17 PM PDT

7.01 During the term of this Agreement, ~~the County~~ may terminate the Agreement for any reason by giving written notice of termination to ~~the CONTRACTOR~~ at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to

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indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

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9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Workers' Compensation Waiver of Subrogation:

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials,

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employees, agents, or volunteers.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance and endorsements with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.01 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after reciept of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining

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to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.05 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

10.06 **Format of Deliverables:** For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.01 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses,

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pay all charges and fees, and give all notices require by law in the performance of the Services.

13.02 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.03 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Elsa Jimenez, Director of Health Services	Frank Hespe, Attorney-At-Law
Name and Title	Name and Title
1270 Natividad Blvd, Salinas, CA 93906	26385 Carmel Rancho Blvd., Ste. 110, Carmel, CA 93923
Address	Address
	831-601-3434
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance

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of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.01 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.02 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.03 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

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18.0 SIGNATURE PAGE

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____

Contracts/Purchasing Officer

Date: _____

By: _____

Department Head (if applicable)

Date: _____

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...

County Counsel

Date: 7/28/2025 | 8:54 AM PDT

Approved as to Fiscal Provisions

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...

Auditor/Controller

Date: 7/28/2025 | 11:52 AM PDT

Reviewed as to Liability Provisions
Office of the County Counsel-Risk Management

By: _____

David Bolton, Risk Manager

Date: _____

CONTRACTOR

Frank Hespe, Attorney-At-Law

Contractor/Business Name *

By: DocuSigned by: Frank Hespe 7656F6AE43CE442...

(Signature of Chair, President, or Vice-President)

Frank Hespe, Attorney-At-Law

Name and Title

Date: 7/16/2025 | 6:04 AM PDT

By: _____

(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

_____

Name and Title

Date: _____

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A, PART ONE: SCOPE OF SERVICES

I. IDENTIFICATION OF CONTRACTOR

Name: Frank Hespe
Attorney-At-Law
Address: 26385 Carmel Rancho Blvd., Ste 110
Carmel, CA 93923
(831) 601-3434

II. RECITALS

A. The Lanterman-Petris-Short Act mandates a hearing for all persons to be certified for involuntary mental health treatment. The County of Monterey shall use the services of CONTRACTOR as a qualified Certification Review Hearing Officer as defined by section 5256.1 of the Welfare and Institutions Code.

B. CONTRACTOR is duly qualified and desires to serve, as Certification Review Hearing Officer in accordance with the terms and conditions of this Agreement, the provisions of the Lanterman-Petris-Short Act, COUNTY and Health Department policies and procedures, and applicable laws.

III. QUALIFICATIONS

A. CONTRACTOR covenants that he is a licensed attorney in good standing and meets the requirements of "certification review hearing officer" as defined by section 5256.1 of the Welfare and Institutions Code. CONTRACTOR shall promptly notify COUNTY in the event CONTRACTOR is subject to disciplinary action by the State Bar of any jurisdiction in which CONTRACTOR is admitted. Such discipline shall constitute good cause for termination of this Agreement.

B. COUNTY covenants that its certification review panel comprised of the Director of Behavioral Health, the Public Defender, and the County Counsel has unanimously approved the selection of CONTRACTOR as certification review hearing officer pursuant to section 5256.1 of the Welfare and Institutions Code.

IV. PERFORMANCE STANDARDS

A. Compliance with applicable law. At all times during the provision of professional services under this Agreement, CONTRACTOR shall comply with all applicable state and federal law in conducting Certification Review Hearings including, but not limited to, the Lanterman-Petris-Short Act as codified in the Welfare and Institutions Code, Department of Health Care Services opinions and guidelines, and due process requirements.

B. Compliance with policies and procedures. At the conclusion of each hearing, CONTRACTOR shall issue a written opinion using the form entitled "Certification Review Hearing" attached hereto as Exhibit B. In addition, CONTRACTOR shall comply

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with any procedures or policies as may be adopted by the County and the Health Department.

C. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall fully comply with all federal, state, and local laws and regulations which prohibit discrimination. CONTRACTOR shall not unlawfully discriminate against any person because of race, color, religion, sex, national origin, ancestry, physical disability, medical condition, marital status, age (over 40), or sexual orientation in performing services under this Agreement. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

D. Confidentiality. CONTRACTOR shall comply with all federal and state law concerning the confidentiality of patient information and medical records including, but not limited to, sections 5328 et seq. of the Welfare and Institutions Code. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR'S obligations under this Agreement.

E. Conflict of interest. In addition to the provisions included in Section 15.01 of this Agreement, in the event a conflict of interest arises in the context of a specific hearing, CONTRACTOR shall promptly notify all parties to the hearing of the conflict and withdraw from the hearing.

F. Obligations upon termination. In the event of termination, CONTRACTOR shall remain obligated with regard to the confidentiality and record-keeping requirements of this Agreement.

V. HEARING SCHEDULING

A. Natividad Medical Center (NMC) Mental Health Unit, and Community Hospital of the Monterey Peninsula (CHOMP) Garden Pavilion Behavioral Health Unit shall schedule Hearing Officers (and Patients' Right Advocates) at the following times:

B. Hearing Schedule: Natividad Medical Center

- NMC Certification Review hearings are routinely scheduled on Monday and Thursday at 1:30 PM.
- NMC Capacity Hearings are routinely scheduled by the Mental Health Unit Clerk on Monday and Thursday at 1:30 PM.

C. Hearing Schedule: Community Hospital of the Monterey Peninsula

- CHOMP Certification Review hearings are routinely scheduled on Tuesday and Friday mornings at 10:30 AM.
- CHOMP Capacity Hearings are scheduled by the Social Worker and usually take place at 10:30 AM on Tuesday mornings.

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D. In the event that the primary Hearing Officer is unavailable for hearings, he shall contact CONTRACTOR in his capacity as substitute Hearing Officer to arrange for substitute Hearing Officer services.

VI. SUBSTITUTE HEARING OFFICER SERVICES

CONTRACTOR agrees to provide the following services:

A. Serve as the COUNTY substitute Hearing Officer (HO) at Certification Review Hearings as noted in Section V. HEARING SCHEDULING. CONTRACTOR will be notified in advance by the Primary Hearing Officer if that individual is unable to attend a Hearing, and the services of the CONTRACTOR are required.

VII. PERIOD OF PERFORMANCE

Subject to other Agreement provisions, the period of performance under this Agreement will be from July 1, 2025 through June 30, 2028.

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EXHIBIT A, PART TWO: PAYMENT PROVISIONS

I. PAYMENT TYPE

Cost Reimbursement up to the maximum Agreement amount.

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit A is contingent upon COUNTY authorized service, and CONTRACTOR'S commitment to provide services in accordance with the terms of this Agreement.

III. PAYMENT RATES

County shall pay for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Services according to the following Payment Schedule.

County shall also pay an annual cost reimbursement for Cyberliability Insurance, up to $1,500 per Fiscal Year. The payment shall be based on the CONTRACTOR's exact cost for Cyberliability Insurance.

Fiscal Year	Estimated Number of Hearings per FY	Rate per Hearing	Cyberliability Insurance Reimbursement Maximum	Total Amount
July 1, 2025 - June 30, 2026	180	$140	$1,500	$26,700
July 1, 2026 - June 30, 2027	180	$140	$1,500	$26,700
July 1, 2027 - June 30, 2028	180	$140	$1,500	$26,700
TOTAL MAXIMUM COUNTY OBLIGATION:				**$80,100**

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as may be required by the County of Monterey, Department of Health, Behavioral Health Bureau, along with backup documentation, on a monthly basis, no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment rate. The amount requested for payment for services provided under this agreement shall be in accordance with the approved budget and shall not exceed the payment rates set forth in Section III, above.

CONTRACTOR shall submit via email or mail a monthly claim along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall not make claims for reimbursements other than as permitted, and

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only in the amounts specified, in Section III, above. CONTRACTOR shall submit all previously un-submitted claims for payment for services rendered under this Agreement within thirty (30) calendar days following the termination or end date of this Agreement. All such claims not submitted within thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claims for payment for services submitted following the termination or end date of this Agreement, and which are for services rendered more than thirty (30) days before the termination or end date of this Agreement, may be disallowed, except to the extent that such delay was through no fault of CONTRACTOR.

C. If CONTRACTOR fails to properly submit claim(s) for services provided under this Agreement in a manner consistent with the requirements of Section(s) IV(B)-(C), above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to the CONTRACTOR during the term of this Agreement a maximum amount of **$80,100** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	FUNDING SOURCE	AMOUNT
July 1, 2025 - June 30, 2026	1991 Realignment	$26,700
July 1, 2026 - June 30, 2027	1991 Realignment	$26,700
July 1, 2027 - June 30, 2028	1991 Realignment	$26,700
TOTAL MAXIMUM LIABILITY:		**$80,100**

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C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in anyway affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in anyway affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY contracts, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current and/or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced and/or terminated.

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VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

IX. CONTRACT MONITOR:

Perla Calvario Garcia
Patient's Rights Advocate
Monterey County Health Department
Behavioral Health Bureau
1611 Bunker Hill Wy. Ste. 120
Salinas, CA 93906
(831) 755-4518
Calvariop@countyofmonterey.gov

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EXHIBIT B: CERTIFICATION REVIEW HEARING

PATIENT NAME: _____ HOSPITAL NUMBER: _____

CERTIFICATION DATE: _____ CERTIFICATION TYPE* _____

HEARING FACILITY:_____ WARD/UNIT:_____

CERTIFICATION FACILITY (If different from hearing facility): _____

FACILITY REPRESENTATIVE: _____

TITLE:_____

PATIENT REPRESENTATIVE: _____

The above patient was certified for 14 days involuntary treatment pursuant to Section 5250 et. Seq. of the California Welfare and Institutions Code. The Certification was on the basis of one or more criteria specified by law: danger to self, danger to others, or grave disability (strikeout inapplicable).

A certification Review Hearing was held this date to determine whether probable cause exists to continue to involuntarily detain the patient for 14 days intensive treatment on the basis that as a result of a mental disorder the patient is presently as specified, a danger to self, a danger to others, or gravely disabled (unable to provide for basic personal needs for food, clothing, or shelter).

The Patient:

☐ Was present

☐ Waived presence in accordance with W & I Section 5256.3.

After the hearing it is determined that:

☐ Probable cause does not exist

☐ Probable cause does exist

The reasons for continued involuntary detention and the evidence relied upon to form this determination are cited below:

_____

_____

_____

Date: _____ Time: _____

Hearing Conducted by: _____ Title: _____

*Certification Codes:
1. Danger to Self Only
2. Danger to Others Only
3. Gravely Disabled Only
4. Danger to Self and Others
5. Danger to Self and Gravely Disabled
6. Danger to Others and Gravely Disabled
7. Danger to Self and Others and Gravely Disabled

ADDRESS OR GRAPH PLATE STAMP

Copy to: Patient's Representative
Local Mental Health Director
Facility Medical Director
Hearing Officer

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EXHIBIT C: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.

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- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3-year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

Frank Hespe, Attorney-At-Law
Contractor (Organization Name)

_____
Signature of Authorized Representative

Frank Hespe
Name of Authorized Representative (*printed*)

_____
Date

Attorney-At-Law
Title of Authorized Representative

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EXHIBIT D: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective JULY 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and FRANK HESPE, ATTORNEY-AT-LAW ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

Frank Hespe, Attorney-At-Law
Attn: Frank Hespe
26385 Carmel Rancho Blvd., Ste 110
Carmel, CA 93923
Phone: 831-601-3434
Fax:
Email: fhespe@hespelaw.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Frank Hespe 7656F6AE43CE442...	By:
Print Name Frank Hespe	Print Name: Elsa Jimenez
Print Title Attorney-At-Law	Print Title: Director of Health Services
Date: 7/16/2025 | 6:04 AM PDT	Date:

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Docusign Envelope ID: 9086A881-E2B6-4582-B310-0660C6E665AC

EXHIBIT E: COST REIMBURSEMENT INVOICE FORM

Contractor :	Frank Hespe, Attorney-At-Law		
Address Line 1	26385 Carmel Rancho Blvd, Ste 110	County PO No. :	
Address Line 2	Carmel, CA 93923	Invoice Period :	
Tel. No.:	831-601-3434		
Fax No.:			
Contract Term:	July 1, 2025 to June 30, 2028	Final Invoice :	(Check if Yes)
BH Division :			BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2025-28	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
Hearings			$140.00	540			0	540	100%	$ 75,600	$ -		$ -	$ 75,600.00	100%
Cyberliability Reimbursement			$1,500.00	3			0	3	100%	$ 4,500	$ -		$ -	$ 4,500.00	100%
TOTALS				543	0	0	0	543	100%	$80,100	0.00	0.00	0.00	$80,100	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Keith Vandevere, Attorney-At-Law Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Behavioral Health Authorization for Payment

_____ _____
Authorized Signatory Date

Docusign Envelope ID: CDA805C8-766A-4C27-B401-2554B76C7197

ADDENDUM #1
To County of Monterey Standard Agreement

CONTRACTOR: Frank Hespe, Attorney-At-Law

1. All terms of the Standard Agreement shall remain the same except, as provided herein, and hereby modified to read as follows:

7.0 TERMINATION.

7.01. During the term of this Agreement, ~~the County~~ ***either party*** may terminate the Agreement for any reason by giving written notice of termination to the ~~CONTRACTOR~~ ***other party*** at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

2. Except as provided herein, all other terms and conditions of the Standard Agreement with Frank Hespe, Attorney-At-Law shall remain in full force and effect.

(The remainder of this page is left intentionally blank)

Introduced: 7/31/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive three (3) year Standard Agreement with Keith Vandevere, Attorney-At-Law, to provide hearing officer services for the Behavioral Health Bureau in the amount of $75,000 for FY 2025-2026, $75,000 for FY 2026-2027, and $75,000 for FY 2027-2028, for a maximum County obligation of $225,000 for the term of July 1, 2025 through June 30, 2028; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($22,500) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $247,500.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive three (3) year Standard Agreement with Keith Vandevere, Attorney-At-Law, to provide hearing officer services for the Behavioral Health Bureau in the amount of $75,000 for FY 2025-2026, $75,000 for FY 2026-2027, and $75,000 for FY 2027-2028, for a maximum County obligation of $225,000 for the term of July 1, 2025 through June 30, 2028; and
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SUMMARY/DISCUSSION

The Lanterman-Petris-Short Act mandates a certification review hearing for all persons to be certified for involuntary mental health treatment. Keith Vandevere, Attorney-At-Law, provides services as the hearing officer for certification review hearings. The County contracted with Keith Vandevere, Attorney-At-Law from FY 2010-2025 for hearing officer services. This Agreement renews and updates Agreement A-15922 with Keith Vandevere, Attorney-At-Law, ending June 30, 2025, for another three (3) year from July 1, 2025 to June 30, 2028.

During contract discussions, the updated cyberliability insurance requirement within the Business Associate Agreement made it difficult for Keith Vandevere, an individual, to obtain. Due to the delay in obtaining the required insurance and contract rate negotiations, with direction for an effective date of July 1, 2025, the agreement took additional time to review and agendize, which by necessity makes the agreement retroactive when presented to your board.

This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and

an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s):" 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:
This Agreement is 100% funded by 1991 Realignment funding. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst II, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Introduced: 7/31/2025

Current Status: Health Department - Consent

Version: 1

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- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst II, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

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COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

KEITH VANDEVERE, ATTORNEY-AT-LAW,

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide: Service as Hearing Officer in certification review hearings.

2.0 PAYMENT PROVISIONS:

2.01 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 225,000

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from July 1, 2025 to June 30, 2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other: Certification Hearing Form

Exhibit C: Assurance of Compliance with Monterey County's Cultural Competency Policy
Exhibit D: Business Associate Agreement
Exhibit E: Cost Reimbursement Form

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5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 CONTRACTOR shall not receive reimbursement for mileage or travel expenses unless set forth in this Agreement.

7.0 TERMINATION:

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to

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indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

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9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Workers' Compensation Waiver of Subrogation:

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials,

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employees, agents, or volunteers.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance and endorsements with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.01 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after reciept of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining

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to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.05 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

10.06 **Format of Deliverables:** For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.01 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses,

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pay all charges and fees, and give all notices require by law in the performance of the Services.

13.02 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.03 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Elsa Jimenez, Director of Health Services	Keith Vandevere, Attorney-At-Law
Name and Title	Name and Title
1270 Natividad Rd. Salinas, CA 93906	P.O. Box 945, Pacific Grove, CA 93950
Address	Address
	(831) 659-4774
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance

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of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.01 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.02 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.03 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

********** THIS SECTION INTENTIONALLY LEFT BLANK **********

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18.0 SIGNATURE PAGE

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____

Contracts/Purchasing Officer

Date: _____

By: _____

Department Head (if applicable)

Date: _____

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...

County Counsel

Date: 7/28/2025 | 9:00 AM PDT

Approved as to Fiscal Provisions

By: DocuSigned by: Patricia Ruiz E79EE64E57454E6...

Auditor/Controller

Date: 7/28/2025 | 2:22 PM PDT

Reviewed as to Liability Provisions
Office of the County Counsel-Risk Management

By: _____

David Bolton, Risk Manager

Date: _____

CONTRACTOR

Keith Vandevere, Attorney-At-Law

Contractor/Business Name *

By: DocuSigned by: keith Vandevere 0EE32DCE270E439...

(Signature of Chair, President, or Vice-President)

Keith Vandevere, Attorney-At-Law

Name and Title

Date: 7/16/2025 | 9:52 AM PDT

By: _____

(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

_____

Name and Title

Date: _____

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A, PART ONE: SCOPE OF SERVICES

I. IDENTIFICATION OF CONTRACTOR

Keith Vandevere
Attorney-At-Law
P.O. Box 945
Pacific Grove, CA 93950
(831) 915-1696
kvandevere@gmail.com

II. RECITALS

A. The Lanterman-Petris-Short Act mandates a hearing for all persons still detained within four days after being certified for involuntary mental health treatment. The County of Monterey shall use the services of CONTRACTOR as a qualified certification review hearing officer as defined by section 5256.1 of the Welfare and Institutions Code.

B. CONTRACTOR is duly qualified and desires to serve as a certification review hearing officer in accordance with the terms and conditions of this Agreement, the provisions of the Lanterman-Petris-Short Act, County and Health Department policies and procedures, and applicable laws.

III. QUALIFICATIONS

A. CONTRACTOR covenants that he is a licensed attorney in good standing and meets the requirements of "certification review hearing officer" as defined by section 5256.1 of the Welfare and Institutions Code. CONTRACTOR shall promptly notify COUNTY in the event CONTRACTOR is subject to disciplinary action by the state bar of any jurisdiction in which CONTRACTOR is admitted. Such discipline shall constitute good cause for termination of this Agreement.

B. COUNTY covenants that its certification review panel comprised of the Director of Behavioral Health, the Public Defender, and the County Counsel has unanimously approved the selection of CONTRACTOR as certification review hearing officer pursuant to section 5256.1 of the Welfare and Institutions Code.

IV. PERFORMANCE STANDARDS

A. Compliance with applicable law. At all times during the provision of professional services under the Agreement, CONTRACTOR shall comply with all applicable state and federal laws in conducting certification review hearings including, but not limited to, the Lanterman-Petris-Short Act as codified in the Welfare and Institutions Code and due process requirements.

B. Compliance with policies and procedures. At the conclusion of each hearing, CONTRACTOR shall issue a written opinion using the form entitled "Certification

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Review Hearing" attached hereto as Exhibit B. In addition, CONTRACTOR shall comply with any procedures or policies as may be adopted by the County or the Health Department.

C. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall fully comply with all federal, state, and local laws and regulations which prohibit discrimination. CONTRACTOR shall not unlawfully discriminate against any person because of race, color, religion, sex, national origin, ancestry, physical disability, medical condition, marital status, age (over 40), or sexual preference in performing services under this Agreement. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

D. Confidentiality. CONTRACTOR shall comply with all federal and state law concerning the confidentiality of patient information and medical records including, but not limited to, sections 5328 et seq. of the Welfare and Institutions Code. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR'S obligations under this Agreement.

E. Conflict of Interest. In addition to the provisions included in Section 15.01 of this Agreement, in the event a conflict of interest arises in the context of a specific hearing, CONTRACTOR shall promptly notify all parties to the hearing of the conflict and withdraw from the hearing.

F. Obligations upon termination. In the event of termination, CONTRACTOR shall remain obligated with regard to the confidentiality and record-keeping requirements of this Agreement.

V. PERIOD OF PERFORMANCE

Subject to other Agreement provisions, the period of performance under this Agreement will be from July 1, 2025 through June 30, 2028.

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EXHIBIT A, PART TWO: PAYMENT PROVISIONS

I. PAYMENT TYPES

Cost Reimbursement up to the maximum contract amount.

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit A is contingent upon COUNTY authorized service, and CONTRACTOR'S commitment to provide services in accordance with the terms of this Agreement.

III. PAYMENT RATE

County shall pay for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Services according to the following Payment Schedule.

County shall also pay an annual cost reimbursement for Cyberliability Insurance, up to $1,500 per Fiscal Year. The payment shall be based on the CONTRACTOR's exact cost for Cyberliability Insurance.

Fiscal Year	Estimated Number of Hearings per FY	Rate per Hearing	Cyberliability Insurance Reimbursement Maximum	Total Amount
July 1, 2025 - June 30, 2026	525	$140	$1,500	$75,000
July 1, 2026 - June 30, 2027	525	$140	$1,500	$75,000
July 1, 2027 - June 30, 2028	525	$140	$1,500	$75,000
TOTAL MAXIMUM COUNTY OBLIGATION:				**$225,000**

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as may be required by the County of Monterey, Department of Health, Behavioral Health Bureau, along with backup documentation, on a monthly basis, no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment rate. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this

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Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR. Any "obligations incurred" included in claims for reimbursements and paid by the COUNTY which remain unpaid by the CONTRACTOR after thirty (30) calendar days following the termination or end date of this Agreement shall be disallowed, except to the extent that such failure was through no fault of CONTRACTOR under audit by the COUNTY.

C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to the CONTRACTOR during the term of this Agreement a maximum amount of **$225,000** for services rendered under this Agreement.

B. Maximum Annual Liability:

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FISCAL YEAR LIABILITY	FUNDING SOURCE	AMOUNT
July 1, 2025 - June 30, 2026	1991 Realignment	$75,000
July 1, 2026 - June 30, 2027	1991 Realignment	$75,000
July 1, 2027 - June 30, 2028	1991 Realignment	$75,000
TOTAL MAXIMUM LIABILITY:		**$225,000**

The County retains the right to adjust the funding sources as may be required.

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in anyway affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in anyway affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY contracts, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current and/or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S

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Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced and/or terminated.

VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

IX. CONTRACT MONITOR:

Perla Calvario Garcia
Patient's Rights Advocate
Monterey County Health Department
Behavioral Health Bureau
1611 Bunker Hill Wy. Ste. 120
Salinas, CA 93906
(831) 755-4518
Calvariop@countyofmonterey.gov

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EXHIBIT B: CERTIFICATION REVIEW HEARING FORM

PATIENT NAME: _____ HOSPITAL NUMBER: _____

CERTIFICATION DATE: _____ CERTIFICATION TYPE* _____

HEARING FACILITY: _____ WARD/UNIT: _____

CERTIFICATION FACILITY (If different from hearing facility): _____

FACILITY REPRESENTATIVE: _____

TITLE: _____

PATIENT REPRESENTATIVE: _____

The above patient was certified for 14 days involuntary treatment pursuant to Section 5250 et. Seq. of the California Welfare and Institutions Code. The Certification was on the basis of one or more criteria specified by law: danger to self, danger to others, or grave disability (strikeout inapplicable).

A certification Review Hearing was held this date to determine whether probable cause exists to continue to involuntarily detain the patient for 14 days intensive treatment on the basis that as a result of a mental disorder the patient is presently as specified, a danger to self, a danger to others, or gravely disabled (unable to provide for basic personal needs for food, clothing, or shelter).

The Patient:

- ☐ Was present
- ☐ Waived presence in accordance with W & I Section 5256.3.

After the hearing it is determined that:

- ☐ Probable cause does not exist
- ☐ Probable cause does exist

The reasons for continued involuntary detention and the evidence relied upon to form this determination are cited below:

_____

_____

_____

_____

Date: _____ Time: _____

Hearing Conducted by: _____ Title: _____

*Certification Codes:

1. Danger to Self Only
2. Danger to Others Only
3. Gravely Disabled Only
4. Danger to Self and Others
5. Danger to Self and Gravely Disabled
6. Danger to Others and Gravely Disabled
7. Danger to Self and Others and Gravely Disabled

ADDRESSORGRAPH PLATE STAMP

Copy to: Patient's Representative
Local Mental Health Director
Facility Medical Director
Hearing Officer

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EXHIBIT C: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY'S CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.

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- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.
(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.
(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.
(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.
(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and

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preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.
4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.
5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).
6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.
7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.
8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

Keith Vandevere, Attorney-at-Law
Contractor (Organization Name)

_____
Signature of Authorized Representative

Keith Vandevere
Name of Authorized Representative (*printed*)

_____
Date

Attorney-At-Law
Title of Authorized Representative

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EXHIBIT D: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective JULY 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and KEITH VANDEVERE, ATTORNEY-AT-LAW ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

Keith Vandevere, Attorney-At-Law
Attn: Keith Vandevere
P.O. Box 945
Pacific Grove, CA 93950
Phone: 831-915-1696
Fax:
Email: kvandevere@gmail.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Keith Vandevere 0EE32DCE2706E439...	By:
Print Name Keith Vandevere	Print Name: Elsa Jimenez
Print Title Attorney-At-Law	Print Title: Director of Health Services
Date: 7/16/2025 | 9:52 AM PDT	Date:

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EXHIBIT E: COST REIMBURSEMENT INVOICE FORM

Contractor :	Keith Vandevere, Attorney-At-Law		
Address Line 1	PO Box 945	County PO No. :	
Address Line 2	Pacific Grove, CA 93950	Invoice Period :	
Tel. No.:	831-915-1696		
Fax No.:			
Contract Term:	July 1, 2025 to June 30, 2028	Final Invoice :	(Check if Yes)
BH Division :			BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2025-28	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
Hearings			$140.00	1,575			0	1,575	100%	$ 220,500	$ -		$ -	$ 220,500.00	100%
Cyberliability Reimbursement			$1,500.00	3			0	3	100%	$ 4,500	$ -		$ -	$ 4,500.00	100%
TOTALS				1,578	0	0	0	1,578	100%	$225,000	0.00	0.00	0.00	$225,000	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Keith Vandevere, Attorney-At-Law Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Behavioral Health Authorization for Payment

_____ _____
Authorized Signatory Date

Introduced: 8/4/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and California Psychiatric Transitions for the provision of mental health services for adults with severe psychiatric disabilities, for a maximum County obligation of $3,102,010 for the term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($310,201) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $3,412,211.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:
a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and California Psychiatric Transitions for the provision of mental health services for adults with severe psychiatric disabilities, for a maximum County obligation of $3,102,010 for the term of July 1, 2025 through June 30, 2026; and
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SUMMARY/DISCUSSION

California Psychiatric Transitions (CPT), located in Delhi, California, is one of a very limited number of Mental Health Rehabilitation Centers (MHRC's) that specialize in working with people with severe mental disabilities. This facility provides client specific programs including behavioral adjustment, self-help skill development, pre-vocational preparation, and addressing special needs in interpersonal relationships. This facility is the last resort before a client is placed in a State Hospital.

The County has contracted with CPT for mental health services for the periods of Fiscal Years (FY) 2007-2025. This Agreement with CPT is for one (1) fiscal year term from July 1, 2025 to June 30, 2026, which renews and updates Agreement A-16988 ending in June 30, 2025. This agreement renews the same contract provisions but contracting all the beds to be at the DBU Level 1, or Disruptive Behavioral Unit program based on historical usage.

Due to late and ongoing contract negotiations, with the direction for an effective date of July 1,

2025, the agreement took additional time to review and agendize, which by necessity makes the agreement retroactive when presented to your board.

Approval of this Agreement will provide the necessary resources for clients to be placed at a facility that best suits their needs and to live in the least restrictive community setting as possible. The Agreement also complies with the requirements of the Welfare and Institutions Code Section 5600 (Bronzan-McCorquodale Act).This Agreement contains the County's standard 30-day "no cause" provision (Section V, B) and an additional defunding provision (Section V, D), which provides the County the ability to amend or terminate the Agreement in the event of a reduction and/or termination of funding.

This work supports the following County of Monterey Health Department 2025-2028 Strategic Plan Goal(s):" 3) Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports one of the ten essential public health services, specifically: 7) Link people to needed personal health services and assure the provisions of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and Auditor-Controller have reviewed and approved this Agreement as to form and fiscal provisions, respectively.

FINANCING:
This Agreement is funded by 1991 Realignment funding. The funds for this Agreement are included in the Health Department's Behavioral Health (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:
- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:
- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Introduced: 8/4/2025

Current Status: Health Department - Consent

Version: 1

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- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:
- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared By: Tami Nguyen, Management Analyst, 279-4740
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachment:
Board Report
Agreement

Docusign Envelope ID: 27D3E590-2327-4D2D-B5EC-0CF1323160E4

COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **CALIFORNIA PSYCHIATRIC TRANSITIONS** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Short–Doyle Skilled Nursing Facility for psychiatric care of adults as a Mental Health Rehabilitation Center (MHRC).**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM
EXHIBIT H: MONTHLY CENSUS

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.
B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

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C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

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13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the

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provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

VIII. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

IX. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

   i. Complete written description of event including outcome;

   ii. Written report of CONTRACTOR's investigation and conclusions;

   iii. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

X. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an

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evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XI. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XII. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this

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Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XIII. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

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4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made

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in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XIV. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this

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Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XV. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its

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own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

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G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XVI. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XVII. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or

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organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XVIII. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XIX. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XX. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

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B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

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M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXI. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes
Behavioral Health Bureau Chief
1270 Natividad Road
Salinas, CA 93906
(831) 755-4580

CONTRACTOR

Dina Hackett
President / CEO
California Psychiatric Transitions
9226 N. Hinton Avenue
Delhi, CA 95315
(209) 667-9304
(209) 669-3978 FAX

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 7/30/2025 | 12:15 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 7/30/2025 | 3:51 PM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

CALIFORNIA PSYCHIATRIC TRANSITIONS
CONTRACTOR NAME
Contractor's Business Name *

By: DocuSigned by: 2D49B801BF7C488...
(Signature of Chair, President, or Vice-President) *

Dina Hackett, President / CEO
Name and Title

Date: 7/21/2025 | 9:03 AM PDT

By: DocuSigned by: Julia Youga A26AE4EDBDE9426...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Julia Youga, CFO
Name and Title

Date: 7/21/2025 | 9:05 AM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Name: California Psychiatric Transitions

Address: P. O. Box 339
Delhi, CA 95315

Incorporation Status: Private, for profit, Corporation (no Medi-Cal billable services)

Type of Facility: Mental Health Rehabilitation Center (MHRC)

Type of License: MHRC

II. TARGET POPULATION/FACILITY SPECIALIZATION

Serving adults with psychiatric impairment that has led to their grave disability and requires a locked skilled nursing level of care.

III. PROGRAM DESCRIPTION

Treatment services include:

A. An individualized program to meet the specific needs of each client. Individual programs shall be provided based on the specific needs identified through resident assessments.

B. A structured regimen with individualized services to assist clients in the development of new skills and in modifying behaviors that exclude them from living in a lower level of care facility. The facility shall have the capability of providing all of the following special rehabilitation program services.

1. Self-Help Skills Training. This shall include but not be limited to:
   a) Supervision of medication and education regarding medication;
   b) Money management;
   c) Use of public transportation;
   d) Use of community resources;
   e) Behavior control and impulse control;
   f) Frustration tolerance/stress management;
   g) Mental health/substance abuse education;
   h) Physical education;
   i) ADLs; Restoration of activities of daily living.

2. Behavioral Intervention Training. This shall include but not be limited to:
   a) Behavior modification modalities;
   b) Re-motivation therapy;
   c) Patient government activities;

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d) Group counseling;
e) Individual counseling;
f) Interpersonal Relationships. This shall include but not be limited to:
   (1) Social counseling;
   (2) Educational and recreational training;
   (3) Social activities such as outings, dances, etc.;
g) Understanding of legal issues and court processes.

3. Pre-vocational Preparation Services. This shall include but not be limited to:
   a) Homemaking;
   b) Work activity;
   c) Vocational counseling; work habits
   d) Pre-release planning;
   e) Out-of-home planning;
   f) Linkage to medical services in the community as needed.

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the individual's psychiatric condition through medication management and program services.

C. To restore the individual's level of functioning to the community to a lower level of care.

D. To increase the individual's motivation and skills toward self-restoration.

E. To prevent or decrease the rate of de-compensation, thus decreasing placements at higher, more costly levels of care.

F. To provide the intensive staff required to supervise and treat behavioral psychiatric and medical conditions.

V. PROGRAM PLAN OF OPERATION

The Contractor will provide the COUNTY with a copy of the Mental Health Rehabilitation Center Plan of Operation.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSIONS/BASIC SERVICES/CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients with a DSM V diagnosis and conserved found to be gravely disabled subject to bed availability, with order of a physician, and in

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compliance with reasonable admission policies and procedures. Individuals in need of 24-hour nursing services, patients who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms (such as combativeness, development risk, suicide risk, and excessive verbal abusiveness) which preclude them from being admitted into a lower-level care facility, shall be considered acceptable for admission. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness is deemed appropriate for acute care, as well as individuals suffering exclusively from developmental disability, mental retardation or physical illnesses (without a psychiatric component) shall not be considered for admission. The COUNTY shall participate in the CONTRACTOR'S Priority Access Program, which gives COUNTY clients priority admission to services. When COUNTY client(s) graduates or discharges, the COUNTY shall decide to keep or release the bed. All admissions are subject to the prior authorization from the COUNTY and CONTRACTOR's commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 9 of the California Code of Regulations, Chapter 3.5, Sections 782.10 through 787.14, which includes life skill training, money management, training on accessing community services, transitional programs, and discharge planning with the COUNTY staff. Basic services shall also include reasonable access to required medical treatment and up-to-date psychopharmacology and transportation to reasonable needed off-site services and bilingual/ bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to individuals in need of 24-hour nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental illness, clients are unable to provide for their basic needs.

VIII. DISCHARGE CRITERIA & PLANNING

At the point the individual no longer requires the level of service of a locked facility, as determined by the COUNTY case manager, a plan for their transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

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The COUNTY case manager shall provide a two-week (14-day) notice to CONTRACTOR staff prior to initiating a transfer. In the case of a transfer occurring before the two-week notification period has expired, COUNTY shall be responsible for reimbursing CONTRACTOR for that portion of full days remaining in the two-week notification period, based at the current service level rate in effect at the time of initial transfer notification.

IX. TRANSFER TO ACUTE LEVEL OF CARE

If an individual meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with notification by the CONTRACTOR's psychiatrist to the COUNTY's inpatient psychiatrist to arrange for the transfer of the individual.

X. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR's State of California license.

XI. CHANGE OF SERVICE LEVEL/RATE

A. SERVICE LEVEL/RATE REDUCTIONS

Service level/rate reductions must be approved by the CONTRACTOR. COUNTY is eligible to submit a service level/rate change every ninety (90) days. COUNTY has the option to request a lower service level/rate and thereby shall submit a written notice to CONTRACTOR requesting the lower service level/rate change. Upon CONTRACTOR's determination, the lower service level/rate change would be approved or denied.

The daily rate for the CPT Diversion program will be eligible for review. There are no automatic rate reductions.

Criteria for a daily rate reduction may be based on but not limited to: change in legal status, overall progress in the CPT level system, program participation, behavior(s), medication/treatment compliance, and the necessary support required to adequately maintain the particular patient.

B. SERVICE LEVEL/RATE INCREASES

Service level/rate increases must be approved by the COUNTY and incorporated into a fully-executed Amendment to this Contract in advance of the submission of any invoice with a new level/rate beyond that specified in the Contract. CONTRACTOR is eligible to request the COUNTY Contract Amendment process at any time, and has the option to request a higher service level/rate. CONTRACTOR shall thereby submit a written notice to COUNTY via the Program Manager/Contract Monitor or assigned Contracts Analyst, requesting the higher service level/rate change, with written justification as to the budgetary reasons underlying the requested rate increase. Upon COUNTY's determination, the higher service level/rate change would be approved or denied.

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COUNTY clients shall receive the services commensurate with the level at which they are placed and at which the COUNTY is invoiced, regardless of their physical location. E.g., clients approved for the DBU but temporarily housed in the Main Unit, will receive the additional services and increased staffing commensurate with the DBU level of care.

XII. TYPES OF SERVICES

The following program service levels will be provided within Fiscal Year 2025-26:

Service Type / Designation	Rate/Day	Service Description
MHRC Level 1 (LPS)	$518.00	Residents are integrated with only minor to moderate deviations from the structured program.
Forensic Level (IST, DIV, Murphy)	$736.00	Forensic Program designed to serve court ordered diversion (1001.20 diversion hold) and Incompetent to Stand Trial – Penal Code 1370 (IST 1370) individuals. Individuals in this program have been incarcerated facing charges of either misdemeanor or felony and are unable to stand trial due to a mental illness, or a mental illness with a co-occurring developmental disability. OR, individuals who are court ordered to a diversion program (under a 1001.20 diversion hold), however, have been determined competent to stand trial and are under an order of further treatment.
DBU Level 1 (LPS, IST, DIV, Murphy)	$1024.00	Disruptive Behavioral Unit program provides intensive therapy that focuses directly on disruptive behaviors such as property damage, self-injurious behavior, assaultive behavior and AWOL risk; 1:1 staffing sessions address behavioral issues, medication changes and program compliance with a Board Certified Forensic Psychiatrist; 4:1 resident to staff ratio at 24-hour intervals, and 24 hr. nursing.
1:1 Monitoring: Enhanced Support and Supervision Rate	$59.00 (Hourly Rate, in 15-minute increments)	1:1 resident to staff ratio for emergency monitoring and attendance of patients in the case of suicidal, extreme self-injurious, OR other temporarily highly disruptive behaviors, who without this individual support are placing their housing at risk due to the escalation of symptoms and behaviors.

XIII. EVALUATION AND REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR shall meet all evaluation and reporting requirements stated as a condition

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of the facility's license. Additionally, CONTRACTOR shall report any unusual incidents that occur at the facility to the Contract Monitor/Liaison.

XIV. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3.5 of Division 1 of Title 9 of the California Code of Regulations pertaining to Mental Health Rehabilitation Centers.

B. CONTRACTOR shall meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and
5. Cost of treatment.

XV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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XVI. DESIGNATED CONTRACT MONITOR

Tawnya Majeski
Behavioral Health Services Manager II
Monterey County Health Department
Behavioral Health Bureau
299 12th Street
Marina, CA 93933
Telephone: (831) 647-7680
Email: majeskit@countyofmonterey.gov

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPE

Negotiated Rate (NR) up to the maximum contract amount.

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

A. BED HOLD RATE

The rate for Leave of Absence and Bed Hold for acute hospitalization shall remain at the per diem rate based on the placement rate of client at the time of leave.

B. NEGOTIATED RATE

1. The following rates are established by the CONTRACTOR as follows for Mental Health Rehabilitation services for Fiscal Year 2025-26:

a. MHRC Program Service Level Units:

Fiscal Year	MHRC Level 1 Rate (LPS)	Estimated # Bed Days (UOS)	Total MHRC Level 1
July 1, 2025 - June 30, 2026	$518.00	0	$0
TOTAL MAXIMUM COUNTY OBLIGATION:			**$0**

b. FORENSIC Program Service Level Units:

Fiscal Year	Forensic Service	Forensic Rate	Estimated # Bed Days (UOS)	Total Forensic
July 1, 2025 - June 30, 2026	IST, DIV, Murphy	$736.00	0	$0
TOTAL MAXIMUM COUNTY OBLIGATION:				**$0**

c. DBU Program Service Level Units:

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Fiscal Year	DBU Service	DBU Level 1 Rate	Estimated # Bed Days (UOS)	Total DBU Level 1
July 1, 2025 - June 30, 2026	LPS, IST, DIV, Murphy	$1,024.00	3650	$3,737,600
TOTAL MAXIMUM COUNTY OBLIGATION:				$3,737,600

d. 1:1 Monitoring: Enhanced Support & Supervision Rate Service Level Units:

Fiscal Year	1:1 Monitoring Support Rate	Estimated # Hours (UOS)	Total 1:1 Monitoring Support Rate
July 1, 2025 - June 30, 2026	$59.00	400	$23,600
TOTAL MAXIMUM COUNTY OBLIGATION:			$23,600

2. CONTRACTOR will provide individual 1:1 monitoring enhanced support and supervision with prior authorization from COUNTY. The rate for 1:1 monitoring enhanced support and supervision is $59.00 per hour in 15-minute increments. An example of individual support and supervision requiring 1:1 monitoring is:

   - Individual support for clients diagnosed with Severe & Persistent Mental Illness (SPMI) and Intellectual Disabilities, that without this individual support are placing their housing at risk due to the escalation of symptoms and behaviors.

3. CONTRACTOR agrees to immediately contact (or contact as soon as is feasibly possible thereafter, if such determination of need for 1:1 monitoring support is made after hours) COUNTY Contract Monitor and/or Program Manager and/or assigned Contracts Analyst at the time a patient is placed on 1:1 monitoring so that a timely assessment can be made by the COUNTY in conjunction with CPT physician staff.

4. COUNTY clinical expectation is that 1:1 monitoring support and supervision shall not typically exceed 16 hours per day and be an irregular event and not a permanent aspect of a patient's normal care. Patients requiring more than 16 hours per day of individual support and supervision, or who require individual support for consecutive days per month, or who otherwise meet a threshold requiring higher than normal staff supervision, shall be referred to the COUNTY for a clinical review in conjunction with CPT physician staff to determine their suitability for movement to a higher level of care, rather than continuing higher levels of 1:1 monitoring support at the lower level of care.

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of

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Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Cost Reimbursement Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor within five (5) calendar days. The COUNTY Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

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V. MAXIMUM OBLIGATION OF COUNTY:

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$3,102,010** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
July 1, 2025 - June 30, 2026	$3,102,010
TOTAL AGREEMENT MAXIMUM LIABILITY:	**$3,102,010**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section D. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY

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reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

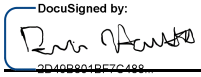
	California Psychiatric Transitions
	Business Name of Contractor
DocuSigned by:  3D40B804BF7C488...	Dina Hackett
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/21/2025 | 9:03 AM PDT	President / CEO
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	California Psychiatric Transitions		
Name of Contractor's Designee	Dina Hackett		
Title of Designee	President / CEO		
Street 9226 N. Hinton Ave.			
City Delhi	State CA	Zip 95315	
IRS Employer Identification Number	77-0467252		

I certify that the above information is complete and correct to the best of my knowledge and belief.

Docusigned by:
2D49B801BF7C488...

Signature of Contractor

Date 7/21/2025 | 9:03 AM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.

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- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

DocuSigned by:
2D49B801BF7C488...
Signature of Authorized Representative

7/21/2025 | 9:03 AM PDT
Date

California Psychiatric Transitions
Contractor (Organization Name)

Dina Hackett
Name of Authorized Representative (*printed*)

President / CEO
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective July 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and CALIFORNIA PSYCHIATRIC TRANSITIONS ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

CALIFORNIA PSYCHIATRIC TRANSITIONS
Attn: Aaron Stocking, Facility Director
P.O. Box 339, 9226 N. Hinton Ave.
Delhi, CA 95315
Phone: (209) 667-9304
Fax: (209) 669-3978
Email: astocking@cptmhrc.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: [signature] 2D49B801BF7C488...	By:
Print Name Dina Hackett	Print Name: Elsa M. Jimenez
Print Title President / CEO	Print Title: Director of Health Services
Date: 7/21/2025 | 9:03 AM PDT	Date:

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EXHIBIT G: COST REIMBURSEMENT INVOICE FORM

Contractor :	CALIFORNIA PSYCHIATRIC TRANSITIONS	Invoice Number :	
Address Line 1	P.O. Box 339	County PO No. :	
Address Line 2	Delhi, CA 95315	Invoice Period :	
Tel. No.:	209-667-9304		
Fax No.:	209-669-3978		
Contract Term:	July 1, 2025 to June 30, 2026	Final Invoice :	(Check if Yes)
BH Division :	Mental Health		BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2024-25	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
MHRC Level 1 (LPS)	5	90	$518.00	0			0	0	0%	$ -	$ -		$ -	$ -	#DIV/0!
Forensic Level (IST, DIV, Murphy)	5	90	$736.00	0			0	0	0%	$ -	$ -		$ -	$ -	#DIV/0!
DBU Level 1 (LPS, IST, DIV, Murphy)	5	90	$1,024.00	3,650			0	3,650	100%	$ 3,737,600	$ -		$ -	$ 3,737,600.00	100%
1:1 Monitoring Rate	5	90	$59.00	400			0	400	100%	$ 23,600			$ -	$23,600	100%
TOTALS				4,050	0	0	0	4,050	100%	$3,761,200	0.00	0.00	0.00	$3,761,200	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Chief Financial Officer Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov

Behavioral Health Claims Section

Behavioral Health Authorization for Payment

Authorized Signatory Date

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EXHIBIT H

MONTHLY CENSUS

PROVIDER: _____ MONTH OF: _____ FY: _____

CLIENT NAME	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	TOTAL
TOTAL:																																

SUBMITTED BY: _____ DATE: _____

APPROVED BY: _____ DATE: _____

Introduced: 8/14/2025

Current Status: Health Department - Consent

Version: 1

Matter Type: Ordinance

a. Introduce, waive first reading, and set September 16, 2025 at 10:30 a.m. as the date and time to consider adoption of an ordinance of the County of Monterey, State of California, amend Chapter 15.04 of the Monterey County Code to remove County of Monterey regulation of small public water systems; and
b. Find the adoption of this ordinance is categorically exempt per Sections 15060(c)(2) and 15060(c)(3) of the California Environmental Quality Act Guidelines because it is an administrative activity that will not result in direct or indirect changes to the environment.

RECOMMENDATION:
It is recommended that the Board of Supervisors
a. Find the adoption of this ordinance is categorically exempt per Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because it is an administrative activity that will not result in direct or indirect changes to the environment; and
b. Introduce, waive first reading, and set September 16, 2025 at 10:30 a.m. as the date and time to consider adoption of an ordinance to amend Chapter 15.04 of the Monterey County Code to remove County of Monterey regulation of small public water systems.

SUMMARY:

The proposed ordinance amends sections of Chapter 15.04 to remove County of Monterey ("County") regulation of Small Public Water Systems, as defined as a system for the provision of piped water to the public for human consumption that has at least 15 but not more than 199 service connections or regularly serves at least 25 individuals at least 60 days out of the year. Since 1993, the County has been delegated local primacy responsibility for Small Public Water Systems pursuant to the Delegation Agreement between the State and the County. As of September 1, 2025, the Delegation Agreement will terminate, and the State will regulate all Small Public Water Systems in Monterey County.

The County will continue to regulate Local Small Water Systems, defined as serving 2-4 service connections and State Small Water Systems defined as a system that serves at least 5, but not more than 14, service connections, and does not regularly serve drinking water to more than an average of 25 individuals daily for more than 60 days per year.

DISCUSSION:
California Department of Public Health, under the provisions of Section 116330 of the California Health and Safety Code, has previously delegated primacy to 32 local primacy agencies ("LPA") for the regulation of public water systems with 15 to 199 service connections and certain non-community water systems. LPAs are county environmental health jurisdictions

that have applied for and were granted regulatory authority over a portion of the public water systems in their county, including Monterey County. The last LPA agreement was executed July 1, 1993 and renewed annually. In 2013, the LPA agreement was updated to clarify issues and update the partnership between Monterey County and the State to assure a healthy water supply for County residents.

The County of Monterey Environmental Health Bureau ("EHB") has administered the LPA program, having been committed to ensuring the safety and quality of drinking water for the community. However, the resource challenges and lack of adequate state support have placed significant strain on the ability to fulfill the requirements of the LPA Agreement. After an extensive evaluation of resources and the capacity to administer the program, EHB, pursuant to California Department of Public Health, under the provisions of Section 116330(c)(2) of the Health and Safety Code, notified the State Water Resources Control Board that effective September 1, 2025, the County will no longer retain local primacy.

Monterey County Code Chapter 15.04 addresses the LPA in multiple sections. The ordinance amendment, as indicated in the red-line and clean copies of the ordinance included as Attachments 1 and 2, removes items in these sections from Monterey County Code that are no longer relevant with the return of the local primacy back to the State.

CEQA
Under the California Environmental Quality Act ("CEQA"), this ordinance is not considered a "Project" under CEQA because it does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment (CEQA Guidelines Sections 15060(c)(2) and 15060(c)(3)).

While this work is not directly in support of a Health Department strategic goal, it is in support of one or more of the ten essential public health services, specifically, 2. Diagnose and investigate health problems and health hazards in the community; 3. Inform, educate, and empower people about health issues; and 6. Enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel has reviewed and approved the ordinance as to form.

FINANCING:
Adoption of the ordinance will have no financial impacts.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:
- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and

transparency.

☒ Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services, promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:

Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Robin Kimball, Management Analyst III, 796-1297
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:
Board Report
Attachment 1, Proposed Ordinance Redline Copy
Attachment 2, Proposed Ordinance Clean Copy

Introduced: 8/14/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Ordinance

a. Introduce, waive first reading, and set September 16, 2025 at 10:30 a.m. as the date and time to consider adoption of an ordinance of the County of Monterey, State of California, amend Chapter 15.04 of the Monterey County Code to remove County of Monterey regulation of small public water systems; and
b. Find the adoption of this ordinance is categorically exempt per Sections 15060(c)(2) and 15060(c)(3) of the California Environmental Quality Act Guidelines because it is an administrative activity that will not result in direct or indirect changes to the environment.

RECOMMENDATION:
It is recommended that the Board of Supervisors
a. Find the adoption of this ordinance is categorically exempt per Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because it is an administrative activity that will not result in direct or indirect changes to the environment; and
b. Introduce, waive first reading, and set September 16, 2025 at 10:30 a.m. as the date and time to consider adoption of an ordinance to amend Chapter 15.04 of the Monterey County Code to remove County of Monterey regulation of small public water systems.

SUMMARY:

The proposed ordinance amends sections of Chapter 15.04 to remove County of Monterey ("County") regulation of Small Public Water Systems, as defined as a system for the provision of piped water to the public for human consumption that has at least 15 but not more than 199 service connections or regularly serves at least 25 individuals at least 60 days out of the year. Since 1993, the County has been delegated local primacy responsibility for Small Public Water Systems pursuant to the Delegation Agreement between the State and the County. As of September 1, 2025, the Delegation Agreement will terminate, and the State will regulate all Small Public Water Systems in Monterey County.

The County will continue to regulate Local Small Water Systems, defined as serving 2-4 service connections and State Small Water Systems defined as a system that serves at least 5, but not more than 14, service connections, and does not regularly serve drinking water to more than an average of 25 individuals daily for more than 60 days per year.

DISCUSSION:
California Department of Public Health, under the provisions of Section 116330 of the California Health and Safety Code, has previously delegated primacy to 32 local primacy agencies ("LPA") for the regulation of public water systems with 15 to 199 service connections and certain non-community

water systems. LPAs are county environmental health jurisdictions that have applied for and were granted regulatory authority over a portion of the public water systems in their county, including Monterey County. The last LPA agreement was executed July 1, 1993 and renewed annually. In 2013, the LPA agreement was updated to clarify issues and update the partnership between Monterey County and the State to assure a healthy water supply for County residents.

The County of Monterey Environmental Health Bureau ("EHB") has administered the LPA program, having been committed to ensuring the safety and quality of drinking water for the community. However, the resource challenges and lack of adequate state support have placed significant strain on the ability to fulfill the requirements of the LPA Agreement. After an extensive evaluation of resources and the capacity to administer the program, EHB, pursuant to California Department of Public Health, under the provisions of Section 116330(c)(2) of the Health and Safety Code, notified the State Water Resources Control Board that effective September 1, 2025, the County will no longer retain local primacy.

Monterey County Code Chapter 15.04 addresses the LPA in multiple sections. The ordinance amendment, as indicated in the red-line and clean copies of the ordinance included as Attachments 1 and 2, removes items in these sections from Monterey County Code that are no longer relevant with the return of the local primacy back to the State.

CEQA
Under the California Environmental Quality Act ("CEQA"), this ordinance is not considered a "Project" under CEQA because it does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment (CEQA Guidelines Sections 15060(c)(2) and 15060(c)(3)).

While this work is not directly in support of a Health Department strategic goal, it is in support of one or more of the ten essential public health services, specifically, 2. Diagnose and investigate health problems and health hazards in the community; 3. Inform, educate, and empower people about health issues; and 6. Enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel has reviewed and approved the ordinance as to form.

FINANCING:
Adoption of the ordinance will have no financial impacts.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:
- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐ Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒ Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services, promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐ Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐ Public Safety:

Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Robin Kimball, Management Analyst III, 796-1297
Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:
Board Report
Attachment 1, Proposed Ordinance Redline Copy
Attachment 2, Proposed Ordinance Clean Copy

ORDINANCE NO._____

AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA AMENDING CHAPTER 15.04 OF THE MONTEREY COUNTY CODE TO REMOVE REGULATION OF SMALL PUBLIC WATER SYSTEMS

County Counsel Summary

This ordinance amends sections of Chapter 15.04 to remove County of Monterey ("County") regulation of Small Public Water Systems, as defined as a system for the provision of piped water to the public for human consumption that has at least 15 but not more than 199 service connections or regularly serves at least 25 individuals at least 60 days out of the year. Since 1993, the County has been delegated local primacy responsibility for Small Public Water Systems pursuant to the Delegation Agreement between the State and the County. The State and County are terminating the Delegation Agreement and the State will take over regulation of Small Public Water Systems. This ordinance makes the appropriate amendments to memorialize this change.

The Board of Supervisors of the County of Monterey ordains as follows:

SECTION 1. FINDINGS AND DECLARATIONS.

A. Pursuant to Article XI, Section 7 of the California Constitution, the County of Monterey ("County") may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens.

B. Pursuant to Chapter 4, of the "California Safe Drinking Water Act", Article 2, Section 116330 *et seq*., as may be amended from time to time, the California Department of Health Services (hereinafter "Department"), may delegate primary responsibility for the administration and enforcement of the "California Safe Drinking Water Act", within a county to a local health officer authorized by a board of supervisors to assume these duties, by means of a local primacy delegation agreement if the local health officer demonstrates that it has the capability to meet the local primacy program requirements established by the Department pursuant to Section 116375(h).

C. Per state law, this delegation shall not include the regulation of community water systems serving 200 or more service connections (Health and Safety Code Section 116330).

D. Since 1993, the County has been delegated local primacy responsibility pursuant to the Delegation Agreement between the State and the County entered on July 1, 1993, and renewed annually.

E. As of September 1, 2025, the Delegation Agreement will terminate, and the State will regulate all Small Public Water Systems in Monterey County. A "Small Public Water System" is defined as a system for the provision of piped water to the public for human

consumption that has at least 15 but not more than 199 service connections or regularly serves at least 25 individuals at least 60 days out of the year.

F. The County will continue to regulate Local Small and State Small water systems, as defined in Monterey County Code Chapter 15.04.

G. Under the California Environmental Quality Act ("CEQA"), this ordinance is not considered a "Project" under CEQA because it does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment (CEQA Guidelines Sections 15060(c)(2) and 15060(c)(3)).

SECTION 2. Section 15.04.005 of the Monterey County Code is amended to read as follows:

Under Section~~s 116330 and~~ 116340 of the California Health and Safety Code, as may be amended from time to time, the Health Officer of Monterey County has authority to regulate and carry out the local drinking water program.

SECTION 3. Subsection (b) of Section 15.04.006 of the Monterey County Code is amended to read as follows:

This Chapter is intended to ensure that the water delivered by domestic ~~public~~ water systems of Monterey County shall be pure, wholesome, and potable at all times. The provisions of this Chapter provide the means to accomplish this objective.

SECTION 4. Section 15.04.010 of the Monterey County Code is amended to read as follows:

This Chapter is intended to provide the means to ensure that the water delivered by domestic water systems shall at all times be pure, wholesome, and potable.

It is the intent of the California State Legislature to improve laws governing drinking water quality, to improve upon the minimum requirements of the Federal Safe Drinking Water Act Amendments of 1966, to establish primary drinking water standards that are at least as stringent as those established under the Federal Safe Drinking Water Act, and to establish a program that is more protective of public health than the minimum Federal requirements. (California Health and Safety Code Section 116270(f), as may be amended from time to time).~~Pursuant to Chapter 4, of the "California Safe Drinking Water Act", Article 2, Section 116330 et seq., as may be amended from time to time, the California Department of Health Services (hereinafter "Department"), may delegate primary responsibility for the administration and enforcement of the "California Safe Drinking Water Act", within a County to a local Health Officer authorized by the Board of Supervisors to assume these duties, by means of a local primacy delegation agreement if the local Health Officer demonstrates that it has the capability to meet the local primacy program requirements established by the Department pursuant to Subdivision (h) of Section 116375, as may be amended from time to time. This delegation shall not include the regulation of community water systems serving two hundred (200) or more~~

~~service connections (California Health and Safety Code Section 116330, as may be amended from time to time).~~

~~Since 1993, Monterey County has been delegated local primacy responsibility pursuant to the Delegation Agreement between the State and Monterey County entered on July 1, 1993, and renewed annually.~~

Therefore, the purposes of this Chapter are to: (1) regulate construction, installation, maintenance and operation of domestic water systems which have at least two (2), but not more than ~~one hundred ninety-nine (199)~~fourteen (14) service connections; (2) supplement minimum State laws and standards for construction, installation, maintenance, and operation of s~~S~~tate small water systems; and~~;~~ (3) regulate the quality and quantity of water supplied to and by such water systems, thereby promoting the public health, safety, and welfare.

SECTION 5. Section 15.04.020 of the Monterey County Code is amended to read as follows:

Words used in the present tense include the future as well as the present. Words used in the masculine gender include the feminine and neuter. The singular includes the plural and the plural the singular.

As used in this Chapter, unless otherwise apparent from the context:

a. "Accessory dwelling unit" has the same meaning as "dwelling unit, accessory" set forth in Monterey County Code ~~Chapter~~ Section 21.06.372, as may be amended from time to time.

b. "Centralized treatment" means a single treatment plant or device that treats all of the water supplied by a water system for human consumption.

c. "Contaminant" means any physical, chemical, biological, or radiological substance or matter in water.

d. "Consumer" means a customer or person served by the water system.

e. "Department" means the Monterey County Health Department.

f. "Director" means the Director or authorized representative of the Monterey County Health Department, designated to carry out the drinking water program.

g. "Domestic water system" means any water system including a local small water system or a~~,~~ state small water system~~, or small public water system~~.

h. "Human consumption" means the use of water for drinking, bathing or showering, hand washing, food preparation, cooking, or oral hygiene.

i. "Impacted water system" means a domestic water system that does not meet primary water quality standards per Chapter 15 of Title 22 of the California Code of Regulations, as may

be amended from time to time, as such standards are incorporated into Chapter 15.04.110 of the Monterey County Code.

j. "Local small water system" means a system for the provision of piped water for human consumption that serves at least two, but not more than four, service connections. It includes any collection, treatment, storage, and distribution facilities under control of the operator of such system which are used primarily in connection with such system, and any collection or pretreatment storage facilities not under the control of the operator which are used primarily in connection with such system. "Local small water system" does not include two or more service connections on a single lot of record where none of the dwellings are leased, rented, or offered for renumeration.

k. "Maximum contaminant level" or "MCL" means the maximum permissible level of a contaminant in water.

l. "Person" includes an individual, firm, association, partnership, corporation, and public entity.

m. "Point-of-use" or "POU" means a treatment device applied to a single tap for the purpose of reducing contaminants in drinking water at that tap.

n. "Point-of-entry" or "POE" means a treatment device applied to the drinking water entering a house or building for the purpose of reducing contaminants in the drinking water distributed throughout the house or building. Notwithstanding the foregoing, where all the water supplied by a water system for human consumption is treated by the water system via a single device or facility, regardless of location of the device or facility, the water system shall be considered to have centralized treatment.

o. "Service connection," consistent with Section 21.06.1010 of the Monterey County Code, means a connection to any habitable structure, except a guesthouse, or parcel which uses potable water from a water system for domestic and not agricultural purposes.

~~In addition, pursuant to California Health and Safety Code Section 116275(s), "service connection" means the point of connection between the customer's piping or constructed conveyance, and the water system's meter, service pipe, or constructed conveyance. A connection to a system that delivers water by a constructed conveyance other than a pipe shall not be considered a connection in determining if the system is a public water system if any of the following apply:~~

~~1. The water is used exclusively for purposes other than residential uses, consisting of drinking, bathing, and cooking or other similar uses.~~

~~2. The Health Officer determines that the alternative water to achieve the equivalent level of public health protection provided by the applicable primary drinking water regulation is provided for residential or similar uses for drinking and cooking.~~

~~3. The Health Officer determines that the water provided for residential or similar uses for drinking, cooking, and bathing is centrally treated or treated at the point of entry by the provider, a pass through entity, or the user to achieve the equivalent level of protection provided by the applicable primary drinking water regulations.~~

p. ~~"Small public water system" means a system for the provision of piped water to the public for human consumption that has at least fifteen (15) but not more than one hundred ninety-nine (199) service connections or regularly serves at least twenty-five (25) individuals at least sixty (60) days out of the year. A small public water system includes "community water system" and "noncommunity water system" as defined in Section 116275(i) and (j) respectively, of the California Health and Safety Code, and "nontransient-noncommunity water system" as defined in Section 116275(k) of the California Health and Safety Code, and a "transient-noncommunity water system" as defined in California Health and Safety Code Section 116275(o), as these sections may be amended from time to time.~~

~~q.~~ "State small water system" means a system for the provision of piped water to the public for human consumption that serves at least five, but not more than fourteen (14), service connections and does not regularly serve drinking water to more than an average of twenty-five (25) individuals daily for more than sixty (60) days out of the year. It includes any collection, treatment, storage, and distribution facilities under control of the operator of such system which are used primarily in connection with such system, and any collection or pretreatment storage facilities not under the control of the operator which are used primarily in connection with such system.

q~~r~~. "Source" means a well, spring, lake, stream, or hookup with an approved public water supply. It excludes water from a water storage tank or facility.

r~~s~~. "User" means any person using water for human consumption or domestic purposes.

s~~t~~. "User connection" means the point of connection between the user's or consumer's piping or ditch, and the water system's meter, service pipe, or ditch.

SECTION 6. Subsection (c)(4) of Section 15.04.040 of the Monterey County Code is amended to read as follows:

4. If a mutual water company, evidence satisfactory to the Director that the legal ownership of a s~~S~~tate small water system~~, or community water system,~~ will be an incorporated entity as follows: (1) a~~A~~s a condition of approval, following incorporation, the Articles of Incorporation and By~~-~~laws, for the ~~S~~state small ~~or community water system~~ shall be submitted to the Director~~;~~ and~~.~~ (2) a~~A~~s a condition of approval, a copy of the separate document which is submitted to the California Department of Real Estate, pursuant to Corporations Code Section 14312(a), as may be amended from time to time, shall be submitted to the Director. ~~(**Note: Subsection 4 changed to address timing issues between Monterey County Health Department regulatory permitting process pursuant to California Health and Safety Code Section 116540 and California Code of Regulations, Title 22, Section 64216, and the Department of Real Estate mutual water company incorporation process pursuant to Corporations Code Section 14312 et seq.)~~

SECTION 7. Subsection (a) of Section 15.04.050 of the Monterey County Code is amended to read as follows:

a. Director's Investigation. Upon receipt of an application and all supporting documents filed pursuant to this Chapter, the Director shall make a thorough investigation of the proposed or existing system and all other circumstances and conditions which he or she deems material.

1. Following completion of the investigation and satisfaction of the requirements of this Chapter, the Department shall issue or deny the permit. The Department may impose permit conditions, requirements for system improvements, and time schedules as it deems necessary to assure a continuous, reliable and adequate source of water that is pure, wholesome, potable, and does not endanger the health of consumers at all times, and to assure that the system will be lawfully operated on a continuing basis by a responsible person.

2. Any local small or s~~S~~tate small water system that was not in existence on January 1, 1998, shall not be granted a permit unless the water system demonstrates to the Department that the water supplier has adequate capability to assure the delivery of pure, wholesome, and potable water for human consumption. ~~(Authority: California Health & Safety Code Section 116540.~~

3. Any local small or State water system which was not in existence on January 1, 1998, shall not be granted a permit unless the water system demonstrates to the Department that sufficient water is available from the system's sources and distribution storage facilities to provide continuous and adequate supply of drinking water for each service connection served by the system. ~~(Authority: California Health and Safety Code Section 116540).~~

4. ~~Pursuant to California Health and Safety Code Section 116540, following completion of the investigation and satisfaction of the requirements of Subsections a and b, the Department shall issue or deny the permit. The Department may impose permit conditions, requirements for system improvements, and time schedules as it deems necessary to assure a reliable and adequate supply of water at all times that is pure, wholesome, potable, and does not endanger the health of consumers.~~

~~i. No public water system that was not in existence on January 1, 1998, shall be granted a permit unless the system demonstrates to the Department that the water supplier possesses adequate financial, managerial, and technical capability to assure the delivery of pure, wholesome, and potable drinking water. This Section shall also apply to any change of ownership of a public water system that occurs after January 1, 1998. (Authority: California Health and Safety Code Section 116540(a)).~~

~~ii. No permit under this Chapter shall be issued to an association organized under Title 3 (commencing with Section 20000) of Division 3 of the Corporations Code. This Section shall not apply to unincorporated associations that as of December 31, 1990,~~

~~are holders of a permit issued under this Chapter. (Authority: California Health and Safety Code Section 116540(b)).~~

~~5.~~ No domestic water system shall be issued a permit if water service for each connection or all connections of a proposed water system is available from a public, private, or mutual water system thereby eliminating the necessity of formation of an additional water system. Availability shall be determined, on a case by case basis, in consideration of the following: willingness of the water system to provide service, a reasonable economic standard, long term viability, and a determination that the water system will have an adequate source and supply of water. A determination by the Director pursuant to this Section, shall be subject to the appeal process below at Section 15.04.180. ~~(Authority: California Health and Safety Code Section 116540.)~~

5~~6~~. Local small or s~~S~~tate small water system shall comply with the standards and requirements as set forth in Section 15.04.130 and in the most recent edition of Chapter 16, "California Waterworks Standards", of Title 22 of the California Code of Regulations, as may be amended from time to time, and incorporated herein by this reference, regarding design and construction of water systems.

SECTION 8. Subsection (b)(2) of Section 15.04.050 of the Monterey County Code is amended to read as follows:

2. Pursuant to Subsection (a)(5) above, no domestic water system shall be issued a permit if water service for each connection or all connections of a proposed water system is available from a public, private, or mutual water system thereby eliminating the necessity of formation of an additional water system. Availability shall be determined, on a case by case basis, in consideration of the following: willingness of the water system to provide service, a reasonable economic standard, long term viability, and a determination that the water system will have an adequate source and supply of water. A determination by the Director pursuant to this Section, shall be subject to the Appeal process below at Section 15.04.180. ~~(Authority: California Health and Safety Code Section 116540.)~~

SECTION 9. Section 15.04.070 of the Monterey County Code is amended to read as follows:

a. No person operating a domestic water system shall add or modify the system's source of supply, add or change the method of treatment of the water supply, or change the system's distribution unless an amended permit has been issued by the Director.

b. Application for an amended permit shall be made in accordance with the provisions of Section 15.04.040, and shall be investigated, considered, determined and issued or denied upon the same terms and conditions as provided in Section 15.04.050 of this Chapter.

c. An amendment to the local small or state small water system operating permit is required to allow a POU or POE treatment program that conforms to the requirements of Chapter 15.06 of the Monterey County Code. The amendment must be renewed annually by the water

system. If opportunities for grant funding resources to support long-term water treatment solutions become available, the water system shall demonstrate that it is pursuing such funding in order to be eligible for renewal.

~~d. An amendment to the small public water system operating permit is required to allow a POU or POE treatment device in accordance with state law and regulation.~~

SECTION 10. Section 15.04.130 of the Monterey County Code is amended to read as follows:

This Section incorporates Chapter 16, "California Waterworks Standards", of Title 22 of the California Code of Regulations, as may be amended from time to time, to establish standards and requirements for the design and construction of domestic water systems.

a. Construction of a new domestic water system shall comply with the provisions of Chapter 16 of Title 22 of the California Code of Regulations, as may be amended from time to time, and incorporated herein, including, but not limited to, standards and requirements for basic design, water quantity, source and storage capacities, water pressure, main selection and installation, pipeline design and standards, valve selection, location and installation, disinfection of source, storage and distribution system, and other appurtenant components of the water system.

b. New water systems shall be designed and constructed such that the system provides capability to allow for future consolidation with another system, service area, or adjacent development and to facilitate future interconnection with another water system, looping systems when preferable according to engineering practices, unless special circumstances exist, as determined by the Director pursuant to Section 15.04.170.

c. Any new proposed water system and any expansion, modification, or changes to the water system shall be designed by a professional civil engineer registered in the State of California with experience in water system engineering or other qualified individual with a minimum of three years experience in water system design and construction to be approved by the Department.

d. All operating water system facilities shall be protected against unauthorized entry and vandalism.

e. Each new water supply well for the water system shall be constructed in accordance with the Monterey County ~~Ordinance 3316~~Code Chapter 15.08 and the California Department of Water Resources Bulletins 74-81 and 74-90. Proposed well sites shall be investigated to determine the distance from all contamination sources including, but not limited to, sewage collection and disposal facilities, and any hazards therefrom shall be eliminated prior to well construction.

~~f. All water systems designed for and servicing twenty (20) or more service connections shall require two sources of water supply.~~

fg. Use of water main size smaller than four inches inside diameter shall be approved by the Department prior to construction, but in no case be less than two inches inside diameter, and shall meet the following requirements:

1. The installation is designed by a professional civil engineer registered in the State of California with experience in water system engineering; and

2. The engineer submits findings to demonstrate the ability of proposed main size to meet specific water quantity demands and minimum pressures.

gh. 7057. System Pressure.

1a. Normal operating pressure at the service connection shall not be less than twenty-five (25) pounds per square inch gauge (p.s.i.g.) nor more than one hundred twenty-five (125) p.s.i.g., except that during periods of hourly maximum demand at the time of peak seasonal loads the pressure may be not less than twenty (20) p.s.i.g. and that during periods of hourly minimum demand the pressure may be not more than one hundred fifty (150) p.s.i.g. Variations in pressures under normal operation shall not exceed fifty (50) percent of the average operating pressure. The average operating pressure shall be determined by computing the arithmetical average of at least twenty-four (24) consecutive hourly pressure readings.

2b. In a water system supplying customers at widely varying elevations, the water system utility may furnish a service which does not comply with the foregoing pressure specification, if the customer is fully advised of the conditions under which average service may be expected, and the customer's agreement is secured in writing.

3c. New water systems, or new pressure zones in existing water systems supplying customers at substantially constant elevation shall be designed to maintain an operating pressure at the service connection of not less than thirty-five (35) p.s.i.g. nor greater than one hundred (100) p.s.i.g.

SECTION 11. Subsection (c) of Section 15.04.146 of the Monterey County Code is amended to read as follows:

c. Point-of-Use or Point-of-Entry Treatment.

~~1.~~ In lieu of a centralized treatment facility, a local small or state small water system may choose to install a POU or POE treatment device at each connection in conformance with the regulations specified in Chapter 15.06 of the Monterey County Code, as may be amended from time to time, subject to approval by the Director.

~~2. In lieu of a centralized treatment facility and to the extent allowable under state law, a small public water system may install a POU or POE treatment device at each connection in conformance with California Health and Safety Code section 116380, as may be amended, and the state regulations adopted pursuant to section 116380, subject to approval by the Director.~~

SECTION 12. Subsection (a) of Section 15.04.147 of the Monterey County Code is amended to read as follows:

a. No s~~S~~tate small water system shall add additional service connections to the system such that the total number of service connections served by the system exceeds fourteen (14) before the water system has applied and received from the ~~Director~~ State Water Board a permit to operate as a public water system as defined by ~~Chapter 7 of~~ the California Safe Drinking Water Act (Health and Safety Code Section 116270, *et seq*., as may be amended).

SECTION 13. Section 15.04.195 of the Monterey County Code is amended to read as follows:

a. The remedies provided by this Chapter are cumulative and in addition to any other remedies available at law or in equity.

b. It shall be unlawful for any person to violate any provision, or to fail to comply with any of the requirements, of this Chapter. Any person violating any of the provisions or failing to comply with any of the mandatory requirements of this Chapter shall be guilty of a misdemeanor. No proof of knowledge, intent, or other mental state is required to establish a violation.

c. Any condition caused or allowed to exist in violation of any of the provisions of this Chapter shall be deemed a public nuisance and shall, at the discretion of County, create a cause of action for penalty pursuant to Chapters 1.20 and 1.22 of the Monterey County Code, and any other action authorized by law.

d. Each and every violation of this Chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Monterey County Code or otherwise authorized by law. Additionally, as a public nuisance, any violation of this Chapter shall be subject to injunctive relief, disgorgement of any payment to the County of any and all monies unlawfully obtained, costs of abatement, costs of restoration, costs of investigation, attorney fees, restitution, and any other relief or remedy available at law or in equity. The County, including the Office of the District Attorney and the Office of the County Counsel, may also pursue any and all remedies and actions available and applicable under state and local laws for any violations.

e. For purposes of administration and enforcement of this Chapter generally, the Director may from time to time promulgate such administrative rules and procedures consistent with the purpose and intent of this Chapter as he or she deems necessary to implement or clarify such provisions or aid in enforcement.

~~The provisions of this Chapter shall be enforced pursuant to California Health and Safety Code Section 11625 et seq. as follows, and as may be amended from time to time, and incorporated herein by this reference:~~

~~A.Violations: Revocation and Suspension of permits. (Authority: California Health and Safety Code Section 11625)~~

~~1. The Department, after a hearing noticed and conducted as provided in Section 11500 of the Government Code, may suspend or revoke any permit issued pursuant to this Chapter if the Department determines pursuant to the hearing that the permittee is not complying with the permit, this Chapter, or any regulation, standard, or order issued or adopted thereunder, or that the permittee has made a false statement or representation on any application, record, or report maintained or submitted for purposes of compliance with this Chapter.~~

~~2. Upon exhaustion of administrative remedies consistent with the provisions of this Chapter, the permittee may file with the Superior Court a Petition for a Writ of Mandate for review of any decision of the Department, which has been appealed to the Monterey County Board of Supervisors, or California Regional Water Quality Control Board, as applicable, made pursuant to Subsection 1.~~

~~3. The Department may temporarily suspend any permit issued pursuant to this Chapter prior to any hearing when the action is necessary to prevent an imminent or substantial danger to health. The Director shall notify the permittee of the temporary suspension and the effective date thereof and, at the same time, notify the permittee that a hearing has been scheduled. The hearing shall be held as soon as possible, but not later than fifteen (15) days after the effective date of the temporary suspension. The temporary suspension shall remain in effect until the hearing is completed and the Director has made a final written determination on the merits, that in any event shall be made within fifteen (15) days after the completion of the hearing. If the determination is not transmitted within 15 days after the hearing is completed, the temporary suspension shall be of no further effect. (Authority: California Health and Safety Code Section 11625).~~

~~However, if for any reason the hearing date, or hearing on the merits, has been continued by the Director, the temporary suspension shall continue until such time as the hearing has been completed, and the Director has made a final written determination on the merits. In any event, the final written determination of the Director shall be transmitted within fifteen (15) days after completion of the hearing, or continued hearing, as applicable.~~

~~B.Remedies.~~

~~1. Citations. (Authority: California Health and Safety Code Section 116650)~~

~~a. If the Department determines that a domestic water system is in violation of this Chapter or any regulation, permit standard, or order issued or adopted thereunder, the Department may issue a citation to the domestic water system. The citation shall be served upon the domestic water system personally or by registered mail.~~

~~b. Each citation shall be in writing and shall describe with particularity the nature of the violation, including a reference to the statutory provision, standard, order or regulation alleged to have been violated.~~

~~c. For continuing violations, the citation shall fix the earliest feasible time for elimination or correction of the condition constituting the violation where appropriate. If the domestic water system fails to correct a violation within the time specified in the citation, the Department may assess a civil penalty as specified in Subsection e.~~

d. For a non-continuing violation of primary drinking standards, other than turbidity, the Department may assess in the citation a civil penalty as specified in Subsection e.

e. Citations issued pursuant to this Section shall be classified according to the nature of the violation or the failure to comply. The Department shall specify the classification in the citation and may assess civil penalties for each classification as follows:

1. For violation of a primary drinking standard (denotes primary or secondary drinking water standards as set forth in Chapter 15, Title 22, California Code of Regulations, as may be amended from time to time, and incorporated herein by this reference), other than turbidity, an amount not to exceed one thousand dollars ($1,000.00) for each day that the violation occurred for non-continuing violations or for each day that the violation continues beyond the date specified for correction in the citation.

2. For failure to comply with any citation or order issued for failure of the primary drinking water standard for turbidity or for violation of a secondary drinking water standard[1] that the Director determines may have a direct or immediate relationship to the welfare of the users, an amount not to exceed one thousand dollars ($1,000.00) for each day that the violation continues beyond the date specified for correction in the citation.

3. For failure to comply with any citation or order issued for noncompliance with any Department regulation or order, other than a primary or secondary drinking water standard, an amount not to exceed two hundred dollars ($200.00) per day for each day the violation continues beyond the date specified for correction in the citation.

2. Orders. (Authority: California Health and Safety Code Section 116655)

a. Whenever the Department determines that any person has violated or is violating this Chapter, or any permit, regulation, or standard issued or adopted pursuant to this Chapter, the Director may issue an order doing any of the following:

1. Directing compliance forthwith.

2. Directing compliance in accordance with a time schedule set by the Department.

3. Directing that appropriate preventive action be taken in the case of a threatened violation.

b. An order issued pursuant to this Section may include, but shall not be limited to, any or all of the following requirements:

1. That the existing plant, works, or system be repaired, altered, or added to.

2. That purification or treatment works be installed.

3. That the source of the water supply be changed.

4. That no additional service connection be made to the system.

5. That the water supply, the plant, or the system be monitored.

6. That a report on the condition and operation of the plant, works, system, or water supply be submitted to the Department.

3. Injunctions. (Authority: California Health and Safety Code Section 116660)

~~a. Any person who operates a domestic water system without having an unrevoked permit to do so, may be enjoined from so doing by any Court of competent jurisdiction at the suit of the Department.~~

~~b. When the Department determines that any person has engaged in or is engaged in any act or practice that constitutes a violation of this Chapter, or any regulation, permit, standard, or order issued or adopted thereunder, the Department may bring an action in the Superior Court for an order enjoining the practices or for an order directing compliance.~~

~~c. Upon a showing by the Department of any violation set forth in Subsection b; the Superior Court shall enjoin the practices and may do any of the following:~~

~~1. Enforce a reasonable plan of compliance, including the appointment of a competent person, to be approved by the Department, and paid by the operator of the domestic water system, who shall take charge of and operate the system so as to secure compliance.~~

~~2. Enjoin further service connections to the domestic water system.~~

~~3. Afford any further relief that may be required to insure compliance with this Chapter.~~

~~4. Receivership. (Authority: California Health and Safety Code Section 116665)~~

~~Whenever the Department determines that any domestic water system is unable or unwilling to adequately serve its users, has been actually or effectively abandoned by its owners, or is unresponsive to the rules or orders of the Department, the Department may petition the Superior Court for the County within which the system has its principal office or place of business for the appointment of a Receiver to assume possession of its property and to operate its system upon such terms and conditions as the Court shall prescribe. The Court may require, as a condition to the appointment of the Receiver, that a sufficient bond be given by the Receiver and be conditioned upon compliance with the orders of the Court and the Department, and the protection of all property rights involved. The Court may provide, as a condition of its Order, that the Receiver appointed pursuant to the Order shall not be held personally liable for any good faith, reasonable effort to assume possession of, and to operate, the system in compliance with the Order.~~

~~5. Nuisance and Summary Abatement. (Authority: California Health and Safety Code Section 116670)~~

~~Anything done, maintained, or suffered as a result of failure to comply with any primary drinking water standard is a public nuisance dangerous to health, and may be enjoined or summarily abated in the manner provided by law. Every public officer or body lawfully empowered to do so shall abate the nuisance immediately.~~

~~6. Actions Against Domestic Water Systems. (Authority: California Health and Safety Code Section 116675)~~

~~The Department shall, after adequate notification, take action authorized by this Chapter against a domestic water system under the jurisdiction of the Department, if any of the following occur:~~

~~a. The domestic water system has been in violation of any provision of this Chapter or the regulations adopted hereunder, including any violation of compliance with drinking water standards or waterworks standards, as may be amended from time to time, which shall include~~

~~any applicable State or county standards, laws or regulations, as applicable, and in furtherance of the purpose and provisions of this Chapter, for a period of at least ninety (90) days within the previous year.~~

~~b. A contaminant is present in, or likely to enter, a public water system and presents an imminent and substantial danger to the health of the users of the system.~~

~~C.Judicial Review: Writ of Mandate. (Authority: Health and Safety Code Section 116700)~~

~~a. Within thirty (30) days after service of a copy of a final decision, order or determination by the Monterey County Board of Supervisors or the California Regional Water Quality Control Board as applicable, upon an Appeal of the Director's decision, order or determination, concerning any order or determination, issued by the Department, and upon exhaustion of any and all administrative remedies, any aggrieved party may file with the Superior Court a Petition for a Writ of Mandate for review thereof. Failure to file an action shall not preclude a party from challenging the reasonableness and validity of a decision, order, or determination of the Department in any judicial proceedings brought to enforce the decision, order, or determination, or for any civil or criminal remedy authorized by this Chapter.~~

~~b. The evidence before the Court shall consist of all relevant evidence that, in the judgment of the Court, should be considered to effectuate and implement the provisions of this Chapter. In every case, the Court shall exercise its independent judgment on the evidence.~~

~~c. Except as otherwise provided in this Section, subdivisions (e) and (f) of Section 1094.5 of the Code of Civil Procedure shall govern proceedings pursuant to this Section.~~

~~D.Crimes and Penalties.~~

~~1. Civil Penalties. (Authority: California Health and Safety Code Section 116725)~~

~~a. Any person who knowingly makes any false statement or representation in any application, record, report, or other document submitted, maintained, or used for purposes of compliance with this Chapter, may be liable, as determined by the Court, for a civil penalty not to exceed five thousand dollars ($5,000.00) for each separate violation or, for continuing violations, for each day that violation continues.~~

~~b. Any person who violates a citation schedule of compliance for a primary drinking water standard of the California Safe Drinking Water Act, as may be amended from time to time, or a citation schedule of compliance for any of the provisions of this Chapter, other than turbidity, or any order regarding a primary drinking water standard other than turbidity, or the requirement that a reliable and adequate supply of pure, wholesome, healthful, and potable water be provided may be liable, as determined by the Court, for a civil penalty not to exceed twenty-five thousand dollars ($25,000.00) for each separate violation or, for continuing violations, for each day that violation continues.~~

~~c. Any person who violates any order, other than one specified in Subdivision b, issued pursuant to this Chapter may be liable, as determined by the Court, for a civil penalty not to exceed five thousand dollars ($5,000.00) for each separate violation or, for continuing violations, for each day that violation continues.~~

~~d. Any person who operates a domestic water system without a permit issued by the Department pursuant to this Chapter may be liable, as determined by the Court, for a civil~~

~~penalty not to exceed twenty-five thousand dollars ($25,000.00) for each separate violation or, for continuing violations, for each day that violation continues.~~

~~e. Each civil penalty imposed for any separate violation pursuant to this Section shall be separate and in addition to any other civil penalty imposed pursuant to this Section or any other provision of law.~~

~~2. Misdemeanors and Felonies. (Authority: California Health and Safety Code Section 116730).~~

~~a. Any person who knowingly does any of the following acts may, upon conviction, be punished by a fine of not more than twenty-five thousand dollars ($25,000.00) for each day of violation, or by imprisonment in the County Jail not to exceed one year, or by both the fine and imprisonment:~~

~~1. Makes any false statement or representation in any application, record, report, or other document submitted, maintained, or used for the purposes of compliance with this Chapter.~~

~~2. Has in his or her possession any record required to be maintained pursuant to this Chapter that has been altered or concealed.~~

~~3. Destroys, alters, or conceals any record required to be maintained pursuant to this Chapter.~~

~~4. Withholds information regarding an imminent and substantial danger to the public health or safety when the information has been requested by the Department in writing and is required to carry out the Department's responsibilities pursuant to this Chapter in response to an imminent and substantial danger.~~

~~5. Violates an order issued by the Department pursuant to this Chapter that has a substantial probability of presenting an imminent danger to the health of persons.~~

~~6. Operates a domestic water system without a permit issued by the Department pursuant to this Chapter.~~

~~b. If the conviction under subdivision a is for a violation committed after a first conviction of the person under this Section, the person may be punished by imprisonment in the State Prison for up to twenty-four (24) months, or in the County Jail for not to exceed one year, or by a fine of not less than two thousand dollars ($2,000.00) or more than fifty thousand dollars ($50,000.00) per day of violation, or by both the fine and imprisonment.~~

~~3. Inspection Authority. (Authority: California Health and Safety Code Section 116735)~~

~~a. In order to carry out the purposes of this Chapter, any duly authorized representative of the Department may, at any reasonable hour of the day, do any of the following:~~

~~1. Enter and inspect any domestic water system or any place where the public water system records are stored, kept, or maintained.~~

~~2. Inspect and copy any records, reports, test results, or other information required to carry out this Chapter.~~

~~3. Set up and maintain monitoring equipment for purposes of assessing compliance with this Chapter.~~

~~4. Obtain samples of the water supply.~~

~~5. Photograph any portion of the system, any activity, or any sample taken.~~

~~b. The Department shall inspect each domestic water system at a frequency established by the Director, and shall provide an opportunity for a representative of the domestic water system to accompany the representative of the Department during the inspection of the water system.~~

~~c. It shall be a misdemeanor for any person to prevent, interfere with, or attempt to impede in any way any duly authorized representative of the Department from undertaking the activities authorized by Subdivision a.~~

~~4. Civil Penalty Collection. (Authority: California Health and Safety Code Section 116740). If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, the Attorney General or the district attorney shall recover the amount for which the person is liable in the Superior Court. In this action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.~~

~~5. Remedies are cumulative. (Authority: California Health and Safety Code Section 116745)~~

~~The remedies provided by this Chapter are cumulative and shall not be construed as restricting any remedy, provisional or otherwise, provided by law for the benefit of any party, and no judgment under this Chapter shall preclude any party from obtaining additional relief based upon the same facts.~~

~~6. Tampering with public water systems. (Authority: California Health and Safety Code Section 116750)~~

~~a. Any person who tampers with a public water system is guilty of a felony and shall be punished by imprisonment in the State Prison for three, four, or five years, subject to a fine not to exceed thirty thousand dollars ($30,000.00), or both.~~

~~b. Any person who tampers with or makes a threat to tamper with a domestic water system is guilty of a felony and shall be punished by imprisonment in the State Prison for sixteen (16) months, two, or three years, subject to a fine not to exceed twenty thousand dollars ($20,000.00), or both.~~

~~c. For purposes of this Section, the term "tamper" means either of the following:~~

~~1. To introduce a contaminant into a domestic water system with the intention of harming persons.~~

~~2. To otherwise interfere with the operation of a domestic water system with the intention of harming persons.~~

SECTION 14. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

SECTION 15. EFFECTIVE DATE. This ordinance shall become effective on the thirty-first day following its adoption.

PASSED AND ADOPTED on this ___ day of _____, 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Christpher M. Lopez, Chair
Monterey County Board of Supervisors

A T T E S T:

Valerie Ralph
Clerk of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM BY:

Kelly L. Donlon
Chief Assistant County Counsel

ORDINANCE NO._____

AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA AMENDING CHAPTER 15.04 OF THE MONTEREY COUNTY CODE TO REMOVE REGULATION OF SMALL PUBLIC WATER SYSTEMS

County Counsel Summary

This ordinance amends sections of Chapter 15.04 to remove County of Monterey ("County") regulation of Small Public Water Systems, as defined as a system for the provision of piped water to the public for human consumption that has at least 15 but not more than 199 service connections or regularly serves at least 25 individuals at least 60 days out of the year. Since 1993, the County has been delegated local primacy responsibility for Small Public Water Systems pursuant to the Delegation Agreement between the State and the County. The State and County are terminating the Delegation Agreement and the State will take over regulation of Small Public Water Systems. This ordinance makes the appropriate amendments to memorialize this change.

The Board of Supervisors of the County of Monterey ordains as follows:

SECTION 1. FINDINGS AND DECLARATIONS.

A. Pursuant to Article XI, Section 7 of the California Constitution, the County of Monterey ("County") may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens.

B. Pursuant to Chapter 4, of the "California Safe Drinking Water Act", Article 2, Section 116330 *et seq*., as may be amended from time to time, the California Department of Health Services (hereinafter "Department"), may delegate primary responsibility for the administration and enforcement of the "California Safe Drinking Water Act", within a county to a local health officer authorized by a board of supervisors to assume these duties, by means of a local primacy delegation agreement if the local health officer demonstrates that it has the capability to meet the local primacy program requirements established by the Department pursuant to Health and Safety Code Section 116375(h).

C. Per state law, this delegation shall not include the regulation of community water systems serving 200 or more service connections (Health and Safety Code Section 116330).

D. Since 1993, the County has been delegated local primacy responsibility pursuant to the Delegation Agreement between the State and the County entered on July 1, 1993, and renewed annually.

E. As of September 1, 2025, the Delegation Agreement will terminate, and the State will regulate all Small Public Water Systems in Monterey County. A "Small Public Water System" is defined as a system for the provision of piped water to the public for human

consumption that has at least 15 but not more than 199 service connections or regularly serves at least 25 individuals at least 60 days out of the year.

F. The County will continue to regulate Local Small and State Small water systems, as defined in Monterey County Code Chapter 15.04.

G. Under the California Environmental Quality Act ("CEQA"), this ordinance is not considered a "Project" under CEQA because it does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment (CEQA Guidelines Sections 15060(c)(2) and 15060(c)(3)).

SECTION 2. Section 15.04.005 of the Monterey County Code is amended to read as follows:

Under Section 116340 of the California Health and Safety Code, as may be amended from time to time, the Health Officer of Monterey County has authority to regulate and carry out the local drinking water program.

SECTION 3. Subsection (b) of Section 15.04.006 of the Monterey County Code is amended to read as follows:

This Chapter is intended to ensure that the water delivered by domestic water systems of Monterey County shall be pure, wholesome, and potable at all times. The provisions of this Chapter provide the means to accomplish this objective.

SECTION 4. Section 15.04.010 of the Monterey County Code is amended to read as follows:

This Chapter is intended to provide the means to ensure that the water delivered by domestic water systems shall at all times be pure, wholesome, and potable.

It is the intent of the California State Legislature to improve laws governing drinking water quality, to improve upon the minimum requirements of the Federal Safe Drinking Water Act Amendments of 1966, to establish primary drinking water standards that are at least as stringent as those established under the Federal Safe Drinking Water Act, and to establish a program that is more protective of public health than the minimum Federal requirements. (California Health and Safety Code Section 116270(f), as may be amended from time to time).

Therefore, the purposes of this Chapter are to: (1) regulate construction, installation, maintenance and operation of domestic water systems which have at least two (2), but not more than fourteen (14) service connections; (2) supplement minimum State laws and standards for construction, installation, maintenance, and operation of state small water systems; and (3) regulate the quality and quantity of water supplied to and by such water systems, thereby promoting the public health, safety, and welfare.

SECTION 5. Section 15.04.020 of the Monterey County Code is amended to read as follows:

Words used in the present tense include the future as well as the present. Words used in the masculine gender include the feminine and neuter. The singular includes the plural and the plural the singular.

As used in this Chapter, unless otherwise apparent from the context:

a. "Accessory dwelling unit" has the same meaning as "dwelling unit, accessory" set forth in Monterey County Code Section 21.06.372, as may be amended from time to time.

b. "Centralized treatment" means a single treatment plant or device that treats all of the water supplied by a water system for human consumption.

c. "Contaminant" means any physical, chemical, biological, or radiological substance or matter in water.

d. "Consumer" means a customer or person served by the water system.

e. "Department" means the Monterey County Health Department.

f. "Director" means the Director or authorized representative of the Monterey County Health Department, designated to carry out the drinking water program.

g. "Domestic water system" means any water system including a local small water system or a state small water system.

h. "Human consumption" means the use of water for drinking, bathing or showering, hand washing, food preparation, cooking, or oral hygiene.

i. "Impacted water system" means a domestic water system that does not meet primary water quality standards per Chapter 15 of Title 22 of the California Code of Regulations, as may be amended from time to time, as such standards are incorporated into Chapter 15.04.110 of the Monterey County Code.

j. "Local small water system" means a system for the provision of piped water for human consumption that serves at least two, but not more than four, service connections. It includes any collection, treatment, storage, and distribution facilities under control of the operator of such system which are used primarily in connection with such system, and any collection or pretreatment storage facilities not under the control of the operator which are used primarily in connection with such system. "Local small water system" does not include two or more service connections on a single lot of record where none of the dwellings are leased, rented, or offered for renumeration.

k. "Maximum contaminant level" or "MCL" means the maximum permissible level of a contaminant in water.

l. "Person" includes an individual, firm, association, partnership, corporation, and public entity.

m. "Point-of-use" or "POU" means a treatment device applied to a single tap for the purpose of reducing contaminants in drinking water at that tap.

n. "Point-of-entry" or "POE" means a treatment device applied to the drinking water entering a house or building for the purpose of reducing contaminants in the drinking water distributed throughout the house or building. Notwithstanding the foregoing, where all the water supplied by a water system for human consumption is treated by the water system via a single device or facility, regardless of location of the device or facility, the water system shall be considered to have centralized treatment.

o. "Service connection," consistent with Section 21.06.1010 of the Monterey County Code, means a connection to any habitable structure, except a guesthouse, or parcel which uses potable water from a water system for domestic and not agricultural purposes.

p. "State small water system" means a system for the provision of piped water to the public for human consumption that serves at least five, but not more than fourteen (14), service connections and does not regularly serve drinking water to more than an average of twenty-five (25) individuals daily for more than sixty (60) days out of the year. It includes any collection, treatment, storage, and distribution facilities under control of the operator of such system which are used primarily in connection with such system, and any collection or pretreatment storage facilities not under the control of the operator which are used primarily in connection with such system.

q. "Source" means a well, spring, lake, stream, or hookup with an approved public water supply. It excludes water from a water storage tank or facility.

r. "User" means any person using water for human consumption or domestic purposes.

s. "User connection" means the point of connection between the user's or consumer's piping or ditch, and the water system's meter, service pipe, or ditch.

SECTION 6. Subsection (c)(4) of Section 15.04.040 of the Monterey County Code is amended to read as follows:

4. If a mutual water company, evidence satisfactory to the Director that the legal ownership of a state small water system will be an incorporated entity as follows: (1) as a condition of approval, following incorporation, the Articles of Incorporation and Bylaws, for the state small shall be submitted to the Director; and (2) as a condition of approval, a copy of the separate document which is submitted to the California Department of Real Estate, pursuant to Corporations Code Section 14312(a), as may be amended from time to time, shall be submitted to the Director.

SECTION 7. Subsection (a) of Section 15.04.050 of the Monterey County Code is amended to read as follows:

a. Director's Investigation. Upon receipt of an application and all supporting documents filed pursuant to this Chapter, the Director shall make a thorough investigation of the proposed or existing system and all other circumstances and conditions which he or she deems material.

1. Following completion of the investigation and satisfaction of the requirements of this Chapter, the Department shall issue or deny the permit. The Department may impose permit conditions, requirements for system improvements, and time schedules as it deems necessary to assure a continuous, reliable and adequate source of water that is pure, wholesome, potable, and does not endanger the health of consumers at all times, and to assure that the system will be lawfully operated on a continuing basis by a responsible person.

2. Any local small or state small water system that was not in existence on January 1, 1998, shall not be granted a permit unless the water system demonstrates to the Department that the water supplier has adequate capability to assure the delivery of pure, wholesome, and potable water for human consumption.

3. Any local small or State water system which was not in existence on January 1, 1998, shall not be granted a permit unless the water system demonstrates to the Department that sufficient water is available from the system's sources and distribution storage facilities to provide continuous and adequate supply of drinking water for each service connection served by the system.

4. No domestic water system shall be issued a permit if water service for each connection or all connections of a proposed water system is available from a public, private, or mutual water system thereby eliminating the necessity of formation of an additional water system. Availability shall be determined, on a case by case basis, in consideration of the following: willingness of the water system to provide service, a reasonable economic standard, long term viability, and a determination that the water system will have an adequate source and supply of water. A determination by the Director pursuant to this Section, shall be subject to the appeal process below at Section 15.04.180.

5. Local small or state small water system shall comply with the standards and requirements as set forth in Section 15.04.130 and in the most recent edition of Chapter 16, "California Waterworks Standards", of Title 22 of the California Code of Regulations, as may be amended from time to time, and incorporated herein by this reference, regarding design and construction of water systems.

SECTION 8. Subsection (b)(2) of Section 15.04.050 of the Monterey County Code is amended to read as follows:

2. Pursuant to Subsection (a)(5) above, no domestic water system shall be issued a permit if water service for each connection or all connections of a proposed water system is available from a public, private, or mutual water system thereby eliminating the necessity of formation of an additional water system. Availability shall be determined, on a case by case basis, in consideration of the following: willingness of the water system to provide service, a

reasonable economic standard, long term viability, and a determination that the water system will have an adequate source and supply of water. A determination by the Director pursuant to this Section, shall be subject to the Appeal process below at Section 15.04.180.

SECTION 9. Section 15.04.070 of the Monterey County Code is amended to read as follows:

a. No person operating a domestic water system shall add or modify the system's source of supply, add or change the method of treatment of the water supply, or change the system's distribution unless an amended permit has been issued by the Director.

b. Application for an amended permit shall be made in accordance with the provisions of Section 15.04.040, and shall be investigated, considered, determined and issued or denied upon the same terms and conditions as provided in Section 15.04.050 of this Chapter.

c. An amendment to the local small or state small water system operating permit is required to allow a POU or POE treatment program that conforms to the requirements of Chapter 15.06 of the Monterey County Code. The amendment must be renewed annually by the water system. If opportunities for grant funding resources to support long-term water treatment solutions become available, the water system shall demonstrate that it is pursuing such funding in order to be eligible for renewal.

SECTION 10. Section 15.04.130 of the Monterey County Code is amended to read as follows:

This Section incorporates Chapter 16, "California Waterworks Standards", of Title 22 of the California Code of Regulations, as may be amended from time to time, to establish standards and requirements for the design and construction of domestic water systems.

a. Construction of a new domestic water system shall comply with the provisions of Chapter 16 of Title 22 of the California Code of Regulations, as may be amended from time to time, and incorporated herein, including, but not limited to, standards and requirements for basic design, water quantity, source and storage capacities, water pressure, main selection and installation, pipeline design and standards, valve selection, location and installation, disinfection of source, storage and distribution system, and other appurtenant components of the water system.

b. New water systems shall be designed and constructed such that the system provides capability to allow for future consolidation with another system, service area, or adjacent development and to facilitate future interconnection with another water system, looping systems when preferable according to engineering practices, unless special circumstances exist, as determined by the Director pursuant to Section 15.04.170.

c. Any new proposed water system and any expansion, modification, or changes to the water system shall be designed by a professional civil engineer registered in the State of California with experience in water system engineering or other qualified individual with a

minimum of three years experience in water system design and construction to be approved by the Department.

d. All operating water system facilities shall be protected against unauthorized entry and vandalism.

e. Each new water supply well for the water system shall be constructed in accordance with the Monterey County Code Chapter 15.08 and the California Department of Water Resources Bulletins 74-81 and 74-90. Proposed well sites shall be investigated to determine the distance from all contamination sources including, but not limited to, sewage collection and disposal facilities, and any hazards therefrom shall be eliminated prior to well construction.

f. Use of water main size smaller than four inches inside diameter shall be approved by the Department prior to construction, but in no case be less than two inches inside diameter, and shall meet the following requirements:

1. The installation is designed by a professional civil engineer registered in the State of California with experience in water system engineering; and

2. The engineer submits findings to demonstrate the ability of proposed main size to meet specific water quantity demands and minimum pressures.

g. 7057. System Pressure.

1. Normal operating pressure at the service connection shall not be less than twenty-five (25) pounds per square inch gauge (p.s.i.g.) nor more than one hundred twenty-five (125) p.s.i.g., except that during periods of hourly maximum demand at the time of peak seasonal loads the pressure may be not less than twenty (20) p.s.i.g. and that during periods of hourly minimum demand the pressure may be not more than one hundred fifty (150) p.s.i.g. Variations in pressures under normal operation shall not exceed fifty (50) percent of the average operating pressure. The average operating pressure shall be determined by computing the arithmetical average of at least twenty-four (24) consecutive hourly pressure readings.

2. In a water system supplying customers at widely varying elevations, the water system utility may furnish a service which does not comply with the foregoing pressure specification, if the customer is fully advised of the conditions under which average service may be expected, and the customer's agreement is secured in writing.

3. New water systems, or new pressure zones in existing water systems supplying customers at substantially constant elevation shall be designed to maintain an operating pressure at the service connection of not less than thirty-five (35) p.s.i.g. nor greater than one hundred (100) p.s.i.g.

SECTION 11. Subsection (c) of Section 15.04.146 of the Monterey County Code is amended to read as follows:

c. Point-of-Use or Point-of-Entry Treatment. In lieu of a centralized treatment facility, a local small or state small water system may choose to install a POU or POE treatment device at each connection in conformance with the regulations specified in Chapter 15.06 of the Monterey County Code, as may be amended from time to time, subject to approval by the Director.

SECTION 12. Subsection (a) of Section 15.04.147 of the Monterey County Code is amended to read as follows:

a. No state small water system shall add additional service connections to the system such that the total number of service connections served by the system exceeds fourteen (14) before the water system has applied and received from the State Water Board a permit to operate as a public water system as defined by the California Safe Drinking Water Act (Health and Safety Code Section 116270, *et seq*., as may be amended).

SECTION 13. Section 15.04.195 of the Monterey County Code is amended to read as follows:

a. The remedies provided by this Chapter are cumulative and in addition to any other remedies available at law or in equity.

b. It shall be unlawful for any person to violate any provision, or to fail to comply with any of the requirements, of this Chapter. Any person violating any of the provisions or failing to comply with any of the mandatory requirements of this Chapter shall be guilty of a misdemeanor. No proof of knowledge, intent, or other mental state is required to establish a violation.

c. Any condition caused or allowed to exist in violation of any of the provisions of this Chapter shall be deemed a public nuisance and shall, at the discretion of County, create a cause of action for penalty pursuant to Chapters 1.20 and 1.22 of the Monterey County Code, and any other action authorized by law.

d. Each and every violation of this Chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Monterey County Code or otherwise authorized by law. Additionally, as a public nuisance, any violation of this Chapter shall be subject to injunctive relief, disgorgement of any payment to the County of any and all monies unlawfully obtained, costs of abatement, costs of restoration, costs of investigation, attorney fees, restitution, and any other relief or remedy available at law or in equity. The County, including the Office of the District Attorney and the Office of the County Counsel, may also pursue any and all remedies and actions available and applicable under state and local laws for any violations.

e. For purposes of administration and enforcement of this Chapter generally, the Director may from time to time promulgate such administrative rules and procedures consistent with the

purpose and intent of this Chapter as he or she deems necessary to implement or clarify such provisions or aid in enforcement.

SECTION 14. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

SECTION 15. EFFECTIVE DATE. This ordinance shall become effective on the thirty-first day following its adoption.

PASSED AND ADOPTED on this ___ day of _____, 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Christpher M. Lopez, Chair
Monterey County Board of Supervisors

A T T E S T:

Valerie Ralph
Clerk of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM BY:

Kelly L. Donlon
Chief Assistant County Counsel

Introduced: 8/7/2025

Current Status: Department of Social Services - Consent

Version: 2

Matter Type: BoS Agreement

a. Approve and authorize the Director or designee of the Department of Social Services to sign a no cost Data Sharing Agreement with The Regents of the University of California to share information pertaining to individual youth for the purpose of evaluating the Family and Me program for the period of September 1, 2025 through December 31, 2025; and
b. Authorize the Director or designee of the Department of Social Services to sign up to three amendments to this Agreement that do not compass payment or significantly change the scope of work.

RECOMMENDATION:
a. Approve and authorize the Director or designee of the Department of Social Services to sign a no cost Data Sharing Agreement with The Regents of the University of California to share information pertaining to individual youth for the purpose of evaluating the Family and Me program for the period of September 1, 2025 through December 31, 2025; and
b. Authorize the Director or designee of the Department of Social Services to sign up to three amendments to this Agreement that do not compass payment or significantly change the scope of work.

SUMMARY/DISCUSSION:
On February 11, 2025, the County of Monterey entered to an agreement with the City and County of San Francisco and Seneca Family of Agencies to provide placement and services to Commercially Sexually Exploited Children in Monterey County through a Pilot Continuum. The Pilot Continuum includes an emergency placement model, home-based placement model, and a short-term residential therapeutic program to increase placement stability and safety for youth in the program.

This agreement allows the County of Monterey to share data with the Regents of the University of California in order to conduct a rigorous evaluation of the home-based care component of the Pilot Continuum called Family & Me (“FAM”), as required by grant funding for the Pilot Continuum. The FAM evaluation aims to understand youth and caregiver experiences with FAM, identify service needs and preferences of youth and caregivers, and understand how FAM influences outcomes among youth and caregivers over time. The evaluation includes semi-structured interviews with youth, caregivers, and service providers, surveys for youth and caregivers, as well as the analysis of administrative and service provision data.
OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
The Office of County Counsel has reviewed and approved the Agreement as to form.
FINANCING:
This is a non-financial agreement, and recommended actions have no budgetary impact.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
This agreement correlates to the Health & Human Services and Administration Strategic Initiatives adopted by the Board of Supervisors by providing family finding and kinship support for families receiving child welfare services.

Check the related Board of Supervisors Strategic Initiatives:
__ Economic Development
__ Administration
X_ Health & Human Services
__ Infrastructure
__ Public Safety

Prepared by: Chelsea R. Chacon, Management Analyst III, x 8596

Approved by: Roderick Franks, Director, x 4430

Attachment: Agreement

The proposed agreement is on file with Clerk of the Board as an attachment to this Board Report.

Introduced: 8/7/2025
Version: 2

Current Status: Agenda Ready
Matter Type: BoS Agreement

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Prepared by: Chelsea R. Chacon, Management Analyst III, x 8596

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Attachment: Agreement

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Docusign Envelope ID: F9F5D98A-90A6-4D70-AD56-20968B7E9D92

INDEPENDENT EVALUATION OF THE FAMILY AND ME PROGRAM

DATA SHARING AGREEMENT

September 1, 2025

Between

COUNTY OF MONTEREY
DEPARTMENT OF SOCIAL SERVICES

And

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

Docusign Envelope ID: F9F5D98A-90A6-4D70-AD56-20968B7E9D92

I. DECLARATION

This Data Sharing Agreement ("Agreement") is entered into by and between the **COUNTY OF MONTEREY DEPARTMENT OF SOCIAL SERVICES** ("MOCO DSS") and **the REGENTS OF THE UNIVERSITY OF CALIFORNIA** ("REGENTS") for the purpose of sharing data to allow the University of California, Berkeley Human Rights Center ("HRC") to conduct an independent evaluation of Monterey County families participating in the Commercially Sexually Exploited Children ("CSEC") Placement and Services Continuum Model (the "Pilot Continuum").

II. BACKGROUND

On February 11, 2025, MOCO DSS entered into an agreement with the City and County of San Francisco ("the city") and Seneca Family of Agencies to provide Pilot Continuum services to foster youth in Monterey County. The Pilot Continuum directly benefits youth who are at risk of, or have experienced, commercial sexual exploitation and their caregiver(s). The Pilot Continuum includes an emergency placement model, home-based placement model, and a short-term residential therapeutic program to increase placement stability and safety for youth in the program.

This agreement allows MOCO DSS to share data with the REGENTS in order to conduct a rigorous evaluation of the home-based care component of the Pilot Continuum called Family & Me ("FAM"), as required by grant funding for the Pilot Continuum. The FAM evaluation aims to understand youth and caregiver experiences with FAM, identify service needs and preferences of youth and caregivers, and understand how FAM influences outcomes among youth and caregivers over time. The evaluation includes semi-structured interviews with youth, caregivers, and service providers, surveys for youth and caregivers, as well as the analysis of administrative and service provision data.

III. TERM

This agreement shall commence effective September 1, 2025, and remain in full force and effect through December 31, 2025, unless sooner terminated as provided herein. Either party may terminate this agreement by giving thirty (30) days' written notice to the other party. This agreement is contingent upon the continued execution of the Pilot Continuum agreement in Monterey County.

IV. SCOPE OF SERVICES

DSS and the REGENTS agree to:

1. Share information pertaining to individual youth as needed for the purpose of evaluating the FAM program. Confidential information sharing shall only occur when the youth (and, where required by law, their legal representative) has provided a written informed release of information, or when otherwise authorized by existing law or policy. All such information sharing shall further comply with all applicable federal,

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state, and local laws and regulations, including but not limited to the federal Health Insurance Portability Information and Accountability Act of 1997 ("HIPAA"), California Welfare & Institutions Code section 10850, 45 CFR Sec. 205.50, and the California Department of Social Services' requirements for Confidential, Sensitive, and/or Personal Information and its Manual of Policies and Procedures, Chapter 19. Whether or not covered by W&I Code Sec. 10850 or by 45 CFR Sec. 205.50, confidential medical or personnel records and the identities of clients and complainants shall not be disclosed unless there is proper consent to such disclosure or a court order requiring disclosure.

DSS agrees to:

1. Allow DSS staff, including primary social workers serving FAM youth as well as management involved in FAM implementation, to join the evaluation and participate in interviews about the program every 6 months. Staff participation is voluntary and not required.
2. Share baseline and follow-up child welfare data for each youth who participates in FAM with HRC ("Data"). The Data includes the following:
    a. Youth's Client Identification (ID)
    b. Case Start Date
    c. Case ID
    d. Removal Date
    e. Reason for Removal
    f. Type of Maltreatment
    g. Type of Maltreatment in Foster Care
    h. Victim Perp Relationship
    i. Placement Start Date
    j. Alternative Care Provider Relationship
    k. Placement Facility Name
    l. Placement Facility Type
    m. Placement City
    n. Placement End Date
    o. Placement Change Reason
    p. Number
    q. Level of Care
    r. Frequency
    s. Number
    t. Duration
    u. Reasons for Leaving
    v. How many referrals youth has had
    w. How many cases they have had
    x. How long they've been in system

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y. What their case plan is: Date, intended outcome, secondary concurrent planning
z. Access to wrap-around services
aa. CSEC Risk
bb. Episodes and settings
cc. At risk list
dd. Child and family team meetings
ee. Educational enrollment

3. Assist HRC in obtaining consent for minors to participate in the FAM evaluation by allowing the primary social worker to provide the contact information of the FAM youth's attorney.

The REGENTS agree to:

1. Conduct rigorous evaluation of FAM, including but not limited to:
    a. Maintain Institutional Review Board (IRB) approval and abide by all requirements for ethical research
    b. Work with youth, families, and providers as needed for ongoing evaluation design and data collection
    c. Inviting DSS staff to participate in the evaluation
2. Reach out to the youth's attorney directly to obtain attorney permission for the youth under 18 to participate in the evaluation before obtaining informed assent from such youth. The youth's assent forms in addition to the attorney permission forms for youth under age 18 or consent forms inform youth that the evaluation will access their child welfare records.
    a. A copy of the assent form is attached to this Agreement in **Attachment A**.
    b. A copy of the consent form is attached to this Agreement in **Attachment B**.
    c. All signed forms will be retained by MOCO DSS.
3. Only use confidential information provided by DSS or through interviews for the purpose of evaluating the FAM program.

V. RECORDS AND CONFIDENTIALITY

A. CONFIDENTIALITY

The REGENTS (i) will use reasonable care to protect the security of the Data, (ii) will limit access to the Data to authorized recipients, and (iii) will not at any time during or after the term of this Agreement disclose Data to persons other than authorized recipients without first obtaining DSS' prior written consent, except as otherwise required by law in which case the REGENTS shall, unless prohibited by law, notify DSS prior to such disclosure. The REGENTS will report within seventy-two (72) hours, or as soon as reasonably possible, to DSS any disclosure of the Data not authorized by this Agreement of which it becomes aware.

Notwithstanding the foregoing, in no event is information Data if it: (a) was lawfully in the possession of the REGENTS or authorized recipients before receipt from DSS under this Agreement; (b) is or becomes publicly available other than as a result of a breach of this

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Agreement by the REGENTS; (c) is received by the REGENTS from a third party having an apparent bona fide right to disclose the information to the REGENTS; or (d) is independently developed by the REGENTS without use of the Data.

The REGENTS and its officers, employes, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. The REGENTS shall not disclose any confidential records or other confidential information received from DSS or prepared in connection with the performance of this Agreement, unless DSS specifically permits the REGENTS to disclose such records or information. The REGENTS shall promptly transmit to DSS any and all requests for disclosure of any such confidential records or information. The REGENTS shall not use any confidential information gained by the REGENTS in the performance of this Agreement except for the sole purpose of carrying out the REGENTS' obligations under this Agreement.

Either Party may disclose both the existence and purpose of the relationship that is the subject of this Agreement, including the existence and terms of this Agreement.

B. COUNTY RECORDS

When this Agreement expires or terminates, the REGENTS shall return to DSS any DSS records which the REGENTS used or received from DSS to perform services under this Agreement.

C. MAINTENANCE OF RECORDS

The REGENTS shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County of Monterey rules and regulations related to services performed under this Agreement. The REGENTS shall maintain such records for a period of at least three years after termination of this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then the REGENTS shall retain said records until such action is resolved.

VI. GENERAL PROVISIONS BETWEEN THE REGENTS AND THE COUNTY OF MONTEREY

A. INDEMNIFICATION

The REGENTS, to the extent permitted by law, shall indemnify, defend, and hold harmless the COUNTY OF MONTEREY, its officers, agents and employees from and against any and all claims, liabilities, and losses arising out of and directly related to the performance of this Agreement but only in proportion to and to the extent such claims, liabilities, and losses are caused by or result from the REGENTS' negligence or willful misconduct. The COUNTY OF MONTEREY, to the extent permitted by law, shall indemnify, defend, and hold harmless the REGENTS, its officers, agents and employees from and against any and all such claims, liabilities, or losses arising out of the sole negligence or willful misconduct of the COUNTY OF MONTEREY directly related to the performance of this Agreement.

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B. INSURANCE PROVISIONS

Insurance Coverage Requirements: Without limiting the REGENTS' duty to indemnify, THE REGENTS shall maintain in effect throughout the term of this Agreement self-insurance with the following minimum limits of liability:

Commercial **General Liability**, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000.00 (one million dollars) per occurrence and $2,000,000.00 (two million dollars) in aggregate and

Comprehensive **Automobile Liability** must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000.00 (one million dollars) per occurrence; and

Worker's Compensation Insurance: If the REGENTS employ others in the performance of this Agreement, the REGENTS shall maintain Worker's Compensation Insurance in accordance with California Labor Code Section 3700, and with Employer's Liability limits not less than $1,000,000.00 (one million dollars) each person, $1,000,000.00 (one million dollars) each accident, and $1,000,000.00 (one million dollars) each disease.

Professional Liability Insurance:
Instructions: Check YES or x NO. Professional Liability Insurance is usually required for contractors rendering professional services such as, but not limited to, medical services, legal services, engineering, accounting, and software design.

Professional Liability Insurance is required, pursuant to the following terms:

The REGENTS shall maintain in effect throughout the term of this Agreement Professional Liability Insurance in the amount of not less than $1,000,000 (one million dollars) per claim, and $2,000,000 (two million dollars) in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If Professional Liability Insurance is written on a "claims-made" basis rather than an occurrence basis, the REGENTS shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

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General Insurance Requirements: All insurance required by this Agreement shall be with a company acceptable to the COUNTY OF MONTEREY and authorized by law to transact insurance business in the State of California. Unless otherwise specified in this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date the REGENTS complete its performance of services under this Agreement. Each policy shall provide identical coverage for each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance showing each subcontractor has identical insurance coverage.

Comprehensive General Liability and Automobile Liability policies shall provide an endorsement naming the COUNTY OF MONTEREY, its officers, agents, and employees as Additional Insureds, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY OF MONTEREY, and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the REGENTS' insurance.

Prior to the execution of this Agreement by COUNTY OF MONTEREY, the REGENTS shall file Certificates of Insurance with COUNTY OF MONTEREY'S Contract Administrator, showing that the REGENTS have in effect the insurance required by this Agreement. The REGENTS shall file a new or amended certificate of insurance promptly after any change is made in any insurance policy, which would alter the information of the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

In the event the REGENTS are lawfully self-insured in any or all of the required insurance areas referenced above, a letter certifying those areas of coverage and in the minimum amounts as set forth in this Agreement, shall be furnished by the REGENTS to COUNTY OF MONTEREY'S Contract Administrator prior to the execution of this Agreement.

Cancellation of Insurance: Each liability policy shall provide that COUNTY OF MONTEREY will be given notice in writing at least thirty (30) days in advance of any change, cancellation, or non-renewal thereof. The REGENTS shall immediately obtain replacement coverage for any insurance policy that is terminated, cancelled, non-renewed, or whose policy limits have been exhausted, or upon insolvency of the insurer that issued the policy.

VI. NOTICE

Notice to the parties in connection with this agreement shall be given personally or by regular mail addressed as follows:

If to DSS:

Chelsea Chacon, Management Analyst III
Department of Social Services
1000 South Main Street, Suite 206
Salinas, CA 93901-2353

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If to the REGENTS: Catherine Strickland
The Regents of the University of California
C/O Industry Affiliates Office
2150 Shattuck Avenue, Suite 408
Berkeley, CA 94704-1362
cstrickland@berkeley.edu
cc: juliefreccero@berkeley.edu

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first herein above written.

COUNTY OF MONTEREY

BY _____
Roderick W. Franks, Director
Department of Social Services

APPROVED AS TO FORM:

DocuSigned by:
Anne Brereton
A40081E5DE03489...
Deputy County Counsel

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

BY Signed by:
Kathryn Lewis
87180081230504BB...
Kathryn Lewis
The Regents of the University of California

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UNIVERSITY OF CALIFORNIA AT BERKELEY

BERKELEY DAVIS IRVINE LOS ANGELES MERCED RIVERSIDE SAN DIEGO SAN FRANCISCO SANTA BARBARA SANTA CRUZ

ASSENT TO PARTICIPATE IN A RESEARCH STUDY

Family and Me (FAM): Evaluating a Family-based Foster Care Pilot for Youth At Risk of Commercial Sexual Exploitation in San Francisco

[Youth Participants]

My name is _____, and I am a researcher with the Human Rights Center (HRC) at the University of California, Berkeley. I am working on a study that I would like to tell you about. I would also like to find out if you would be willing to participate in this study.

I can read this form out loud to you, or you can decide to read it to yourself instead if you'd like. If any questions come up about research or this study, please ask me. I will try my best to answer your questions and clear up any confusion.

What is a research study?

A research study is when people like me collect a lot of information about a person or a subject to find out more about it. Before you decide if you want to be in this study, it's important for you to understand why we are doing the research and what is involved.

What is Informed Consent/Assent?

Informed consent is a process where researchers give you lots of information to help you understand the purpose and expectations of a research project. Then, you decide if you want to participate or not. *Consent* can be a written or spoken agreement from an adult aged 18 and older to participate in research.

When you are under the age of 18, you cannot legally provide consent. Researchers still explain the purpose and requirements of their research projects and ask you if you would be willing to participate. If you are under the age of 18 and decide to participate in research, you can provide a written or spoken agreement to participate in a study. This is called *assent*.

Even if you are under 18 and provide assent to participate in this research study, we are also required by the San Francisco Human Service Agency's Family and Children's Services to get permission from your attorney for you to participate in the study. If we receive your assent, we will ask your attorney to sign a permission form for you to participate in the study.

If you assent and we receive the permission form from your attorney, the San Francisco County Superior Court has given us permission to use some of the notes and forms from your family's court case, to evaluate Family and Me (FAM).

Why are we doing this study?

This research project is designed to do a couple of things. First, we are trying to understand how FAM is going. Second, by talking with youth like yourself, FAM caregivers, and service providers, we will try to find out what is working well and what is not working well in FAM.

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Third, this study will be used to make FAM and other similar foster care programs the best they can be for other youth that get placed in out-of-home care in the future.

This study is completely separate from your family's court case or your involvement in FAM. Participating in none, some, or all of this study will NOT affect:

- Your FAM placement or services
- Your court family reunification plans or timelines
- The amount of time you will be placed in out-of-home care
- Your access to previous services and activities (therapist, after school sports, etc.)

Why are we talking to you about this study?

We are inviting all youth who are participating in FAM to participate in this study. We are also inviting FAM caregivers and FAM service providers to participate in this study. Participation is voluntary.

As a reminder, FAM is available to youth placed in out-of-home care by San Francisco's Family and Children's Services (FCS) or Juvenile Probation Department (JPD) who the county or a service provider has identified as at risk of past, present, or future commercial sexual exploitation. Commercial sexual exploitation is very common in the San Francisco Bay Area. One of the goals of FAM is to reduce this risk for foster youth, by providing services and supporting youth's relationships with their caregivers, family members, and friends.

What will happen if you are in this study?

If you agree to be in the study and we receive permission from your attorney, we will look at the following information:

- <u>Surveys</u>

  We will ask you to complete one survey every 4 months for the duration of the study. You can take the survey online, on your phone or laptop, or a research team member can administer it to you, depending on your preference. These surveys will take about 20-30 minutes. You can take breaks during surveys. You can skip any questions that you don't want to answer or don't feel comfortable answering. This is completely up to you, based on your level of comfort.

- <u>Interviews</u>

  A member of the research team will interview you every 4 months for the duration of the study. The interview will take about 45-60 minutes and will take place either in person [*location*] or virtually [*by Zoom or phone*], depending on your preference. Where possible, you will have the same interviewer each time, unless you prefer otherwise. You are welcome to have a caregiver or other supportive person sit in with you during interviews, but it is not required. You may take breaks during interviews and can decide to stop the interview early. You can also skip any questions or topics that you don't want to answer. With your permission, we will audio-record your interviews, so that later, the researchers can write down everything you shared with them. If you don't want to be audio-recorded, the researcher will take handwritten notes instead. We will not share the audio-recording with anyone other than the HRC research team.

- <u>Records</u>

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When you meet with your Seneca support staff, they will complete a survey with you about your relationships with relatives, family members, and other adults in your life–called the Youth Connections Scale (YCS)–every 4 months. If you agree, they will share these assessment results, historical placement data, case notes, and other assessments and information about your use of services with us as part of our evaluation. Seneca may share information about my time in foster care between the dates of: _____ through _____.

Also, FCS and JPD will share relevant information from their records with us about you and your case, including your safety, justice system involvement, and placement history.

Is there any compensation for being in the study?

We will provide you with a $20 gift card as compensation for every 20-30 minute survey you participate in (even if you skip questions). We will provide you with a $50 gift card as compensation for every 45-60 minute interview you participate in (even if you skip questions).

Are there any benefits to being in the study?

There are no direct benefits in this study that directly help you. Our hope is that your experiences and valuable insights can help other young people and improve FAM and other foster care and family support programs like it in the future.

Are there any risks or discomforts to being in the study?

- You might get bored, tired, or uncomfortable and decide that you don't want to finish the study activities or the interview. If so, just tell the researchers that you want to stop. If you'd like to speak to someone about any issues or difficult feelings that come up for you during the interview, let the researcher know and they will give you information about counseling and other support services.
- A possible risk for any research is that people outside the study might see or get confidential study information. We will do everything we can to make sure that doesn't happen. The steps we're taking to protect confidentiality are explained below.

Who will know about your study participation?

If you choose to participate in this study, the researchers will talk with you somewhere private or over Zoom or by phone, and your opinions will be kept confidential. The researchers will not talk about your participation with any FAM participants, JPD, FCS, or any service providers – except for the staff responsible for data collection. These staff will not have access to your interview / survey responses or opinions about FAM. If you want to tell anyone else about our conversation, that is up to you. Even if someone sees you with a member of the research team, the researcher will not discuss how they know you or say that you are involved in the study without your permission. If the researchers publish reports or give talks about this study, they will not use your name or any other personal information that would identify you.

The research team will do everything possible to keep your responses and personal information safe. We will keep all interview notes and recordings in a secure, password-protected virtual platform or a secure, locked location at UC Berkeley until your personal information is removed and the responses can no longer be linked to you. The research team will destroy handwritten notes and audio recordings as soon as we have carefully typed out your words into another

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secure computer document, which may be saved for 10 years after the study is over. The document will not contain your name or any other information that can be used to identify you.

We will be receiving your records electronically. While we cannot guarantee the complete confidentiality of data transmitted over the internet, we will use a process that minimizes any possible confidentiality breaches.

Rights

- You get to decide whether or not to participate in this evaluation of FAM. You can also decide, at any point, if you'd like us to stop accessing your case files, notes, or other information from your service providers. If at any time you'd like to withdraw your participation in the study, all information collected will be deleted or destroyed.
- Participating in this study is completely voluntary and you can quit the study at any time with no consequences to you, the services you receive, or your FCS case.
- You can discuss this with your parents, relatives, caregivers, friends, or anyone else before you make a decision if you'd like to, although this is not required.
- You can contact our research team with any and all questions.

Do you have any questions?

If you have any questions about this research, please feel free to contact the research team directly or through someone you trust. You can reach a research team member or Program Director Julie Freccero at (510) 590-8407, or by email at famstudy@berkeley.edu. If you have any questions about your rights or treatment as a research participant in this study, please contact the University of California at Berkeley's Committee for Protection of Human Subjects at +1 (510) 642-7461 or by e-mail at: subjects@berkeley.edu

****

ASSENT OF ADOLESCENT (12–17 years old)

If you decide to participate, we'll give you a copy of this form to keep if you'd like.

If you would like to be in this research study, please sign your name on the line below.

_____ _____

Child's Name/Signature (*printed or written by child*)* Date

_____ _____

Signature of Investigator/Person Obtaining Assent Date

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UNIVERSITY OF CALIFORNIA AT BERKELEY

BERKELEY DAVIS IRVINE LOS ANGELES MERCED RIVERSIDE SAN DIEGO SAN FRANCISCO SANTA BARBARA SANTA CRUZ

CONSENT TO PARTICIPATE IN A RESEARCH STUDY

Family and Me (FAM): Evaluating a Family-based Foster Care Pilot for Youth At Risk of Commercial Sexual Exploitation in San Francisco

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What is a research study?

A research study is when people like me collect a lot of information about a person or a subject to find out more about it. Before you decide if you want to be in this study, it's important for you to understand why we are doing the research and what is involved.

What is Informed Consent?

Informed consent is a process where researchers give you lots of information to help you understand the purpose and expectations of a research project. Then, you decide if you want to participate or not. *Consent* can be a written or spoken agreement from an adult aged 18 and older to participate in research.

Researchers still explain the purpose and requirements of their research projects and ask you if you would be willing to participate. If you are aged 18 or older, you can decide to participate in research, by signing this form to certify your *consent* to participate.

Why are we doing this study?

This research project is designed to do a couple of things. First, we are trying to understand how FAM is going. Second, by talking with youth like yourself, FAM caregivers and service providers, we will try to find out what is working well and what is not working well in FAM. Third, this study will be used to make FAM and other similar foster care programs the best they can be for other youth that get placed in out-of-home care in the future.

This study is completely separate from your family's court case or your involvement in FAM. Participating in none, some, or all of this study will NOT affect:

- Your FAM placement or services
- Your court family reunification plans or timelines
- The amount of time you will be placed in out-of-home care
- Your access to previous services and activities (therapist, afterschool sports, etc.)

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Why are we talking to you about this study?

We are inviting all youth who are participating in FAM to participate in this study. We are also inviting FAM caregivers and FAM service providers to participate in this study. Participation is voluntary.

As a reminder, FAM is available to youth placed in out-of-home care by San Francisco's Family and Children's Services (FCS) or Juvenile Probation Department (JPD) who the county or a service provider has identified as at risk of past, present, or future commercial sexual exploitation. Commercial sexual exploitation is very common in the San Francisco Bay Area. One of the goals of the FAM program is to reduce this risk for foster youth, by providing services and supporting youth's relationships with their caregivers, family members, and friends.

What will happen if you are in this study?

If you agree to be in the study, we will look at the following information:

- Surveys

  We will ask you to complete one survey every 4 months for the duration of the study. You can take the survey online, on your phone or laptop, or a research team member can administer it to you, depending on your preference. These surveys will take about 20-30 minutes. You can take breaks during surveys. You can skip any questions that you don't want to answer or don't feel comfortable answering. This is completely up to you, based on your level of comfort.

- Interviews

  A member of the research team will interview you every 4 months for the duration of the study. The interview will take about 45-60 minutes and will take place either in person [*location*] or virtually [*by Zoom or phone*], depending on your preference. Where possible, you will have the same interviewer each time, unless you prefer otherwise. You are welcome to have a caregiver or other supportive person sit in with you during interviews, but it is not required. You may take breaks during interviews and can decide to stop the interview early. You can also skip any questions or topics that you don't want to answer. With your permission, we will audio-record your interviews, so that later, the researchers can write down everything you shared with them. If you don't want to be audio-recorded, the researcher will take handwritten notes instead. We will not share the audio-recording with anyone other than the HRC research team.

- Records

  When you meet with your support staff, they will complete a survey with you about your relationships with relatives, family members, and other adults in your life–called the Youth Connections Scale (YCS)–every 4 months. If you agree, they will share these assessment results, historical placement data, case notes, and other assessments and information about your use of services with us as part of our evaluation. Seneca may share information about my time in foster care between the dates of: _____ through _____.

  Also, FCS and JPD will share relevant information from their records with us about you and your case, including your safety, justice system involvement, and placement history.

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Is there any compensation for being in the study?

We will provide you with a $20 gift card as compensation for every 20-30 minute survey you participate in (even if you skip questions). We will provide you with a $50 gift card as compensation for every 45-60 minute interview you participate in (even if you skip questions).

Are there any benefits to being in the study?

There are no direct benefits in this study that directly help you. Our hope is that your experiences and valuable insights can help other young people and improve the FAM program and other foster care and family support programs like it in the future.

Are there any risks or discomforts to being in the study?

- You might get bored, tired, or uncomfortable and decide that you don't want to finish the study activities or the interview. If so, just tell the researchers that you want to stop. If you'd like to speak to someone about any issues or difficult feelings that come up for you during the interview, let the researcher know and they will give you information about counseling and other support services.
- A possible risk for any research is that people outside the study might see or get confidential study information. We will do everything we can to make sure that doesn't happen. The steps we're taking to protect confidentiality are explained below.

Who will know about your study participation?

If you choose to participate in this study, the researchers will talk with you somewhere private or over Zoom or by phone, and your opinions will be kept confidential. The researchers will not talk about your participation with any FAM participants, JPD, FCS, or any service providers – except for the staff responsible for data collection. These staff will not have access to your interview / survey responses or opinions about FAM. If you want to tell anyone else about our conversation, that is up to you. Even if someone sees you with a member of the research team, the researcher will not discuss how they know you or say that you are involved in the study without your permission. If the researchers publish reports or give talks about this study, they will not use your name or any other personal information that would identify you.

The research team will do everything possible to keep your responses and personal information safe. We will keep all interview notes and recordings in a secure, locked location until your personal information is removed and the responses can no longer be linked to you. The research team will destroy handwritten notes and audio recordings as soon as we have carefully typed out your words into another secure computer document, which may be saved for 10 years after the study is over. The document will not contain your name or any other information that can be used to identify you.

We will be receiving your records electronically. While we cannot guarantee the complete confidentiality of data transmitted over the internet, we will use a process that minimizes any possible confidentiality breaches.

Rights

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- You get to decide whether or not to participate in this evaluation of FAM. You can also decide, at any point, if you'd like us to stop accessing your case files, notes, or other information from your service providers. If at any time you'd like to withdraw your participation in the study, all information collected will be deleted or destroyed.
- Participating in this study is completely voluntary and you can quit the study at any time with no consequences to you, the services you receive, or your FCS case.
- You can discuss this with your parents, relatives, caregivers, friends or anyone else before you make a decision if you'd like to, although this is not required.
- You can contact our research team with any and all questions.

Do you have any questions?

If you have any questions about this research, please feel free to contact the research team directly or through someone you trust. You can reach a research team member or Program Director Julie Freccero at (510) 590-8407 or by email at FAMstudy@berkeley.edu. If you have any questions about your rights or treatment as a research participant in this study, please contact the University of California at Berkeley's Committee for Protection of Human Subjects at +1 (510) 642-7461 or by e-mail at: subjects@berkeley.edu

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CONSENT OF YOUTH (18–21 years old)

If you decide to participate, we'll give you a copy of this form to keep.

If you would like to be in this research study, please sign your name on the line below.

_____	_____
Participant Signature	Date
_____	_____
Signature of Investigator/Person Obtaining Consent	Date

Introduced: 8/12/2025

Current Status: Criminal Justice - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Public Defender to execute an Agreement with Dataflow Business Systems Inc., to provide two (2) multi-function Ricoh copiers model IM C6010 and IM 6000 for the Public Defender's Office, in the amount of $36,500 for a three-year term retroactive date of July 1, 2025 through June 30, 2028;
b. Approve and authorize the Public Defender to execute up to three (3) amendments, subject to County Counsel review, extending the agreement by one (1) year each, where total additional costs do not exceed 10% of the contract amount ($3,650) and the amendments do not significantly alter the scope of work, and do not exceed the maximum amount of $40,150.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Approve and authorize the Public Defender to execute an Agreement with Dataflow Business Systems Inc., to provide two (2) multi-function Ricoh copiers model IM C6010 and IM 6000 for the Public Defender's Office, in the amount of $36,500, for a three-year term retroactive date of July 1, 2025 through June 30, 2028;
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SUMMARY:
The Public Defender’s office upgraded current leased copier machines with Ricoh models IM 6000 and IM C6010 to streamline efficiently the demands of a criminal law department.

DISCUSSION:
The Public Defender's Office has been in contract with Dataflow Business Systems Inc. to provide Ricoh copiers since 2018. Dataflow continues to provide the department with rapid response in maintenance, customer service and continued training sessions.

The County has been working with Dataflow to ensure machines were upgraded while ensuring monthly rental fees stay within budgeted amounts. Lease for Ricoh model IM 6000 will be on a thirty-six-month term with a monthly rental fee of $257.03 per month plus $0.006 cost per black & white copy. Lease for Ricoh model IM C6010 will be on a thirty-six-month term with a monthly rental fee of $346.55 per moth plus $0.055 cost per color copy and $0.0075 cost per black & white copy.

OTHER AGENCY INVOLVEMENT:
County Counsel has reviewed Agreement as to form. Information Technology department has reviewed Agreement as to form and has authorized the approval of this machines via the County's ITD Multifunction Machine Quote form.

FINANCING:
The costs associated with this agreement are included in the Public Defender's FY 2025-26 Adopted Budget, Fund 001, department 2270, Budget Unit 8169, Appropriation Unit PB001. Future year's costs will be included in the respective annual budgets.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
This recommendation supports the Board of Supervisors Strategic Initiatives by promoting an organization that practices efficient and effective resource management.

Mark a check to the related Board of Supervisors Strategic Initiatives

__Economic Development
_X_Administration
__Health & Human Services
__Infrastructure
__Public Safety

Prepared by: Becky Avila, Management Analyst II, x.3048
Approved by: Nick Chiulos, Chief Assistant County Administrative Officer / Administrative Department Head, x.5145

Attachments:
Board Report
Standard Agreement Dataflow Business Systems

Docusign Envelope ID: AC0491F1-E183-4534-BF97-3BF0B65D050C

Introduced: 8/12/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

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Mark a check to the related Board of Supervisors Strategic Initiatives

__Economic Development
_X_Administration
__Health & Human Services
__Infrastructure
__Public Safety

Prepared by: Becky Avila, Management Analyst II, x.3048
Approved by: Nick Chiulos, Chief Assistant County Administrative Officer / Administrative Department Head, x.5145

Signed by:
Nick Chiulos
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Attachments:
Board Report
Standard Agreement Dataflow Business Systems

Docusign Envelope ID: E6A38D0E-1CBE-4534-997D-9E4BCC9F95A0

COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:
Dataflow Business Systems, Inc.

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide: (1) One multifunction print/copy Ricoh Machine, model number IM C6010, color copier on a thirty-six month term.

(1) One multifunction print/copy Ricoh Machine, model number IM 6000, black & white copier on a thirty-six month term.

2.0 PAYMENT PROVISIONS:

2.01 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 36,500

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from 07/01/2025 to 06/30/2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other:

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5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 CONTRACTOR shall not receive reimbursement for mileage or travel expenses unless set forth in this Agreement.

7.0 TERMINATION:

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to

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indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

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9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Workers' Compensation Waiver of Subrogation:

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials,

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employees, agents, or volunteers.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance and endorsements with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.01 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after reciept of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining

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to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.05 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

10.06 **Format of Deliverables:** For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. *Find more on* Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.01 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses,

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pay all charges and fees, and give all notices require by law in the performance of the Services.

13.02 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.03 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Nick Chiulos Chief Assistant County Administrative Officer	Olegario Gomez
Name and Title	Name and Title
168 W. Alisal Street, Second Floor Salinas, CA. 93901	540 Work Street, Suite E Salinas, CA. 93901
Address	Address
(831) 755-5058	(831) 759-8760
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance

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of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.01 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.02 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.03 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

********** THIS SECTION INTENTIONALLY LEFT BLANK **********

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18.0 SIGNATURE PAGE

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: _____
County Counsel

Date: _____

Approved as to Fiscal Provisions

By: _____
Auditor/Controller

Date: _____

Reviewed as to Liability Provisions
Office of the County Counsel-Risk Management

By: _____
David Bolton, Risk Manager

Date: _____

CONTRACTOR

Dataflow Business Systems Inc.
Contractor/Business Name *

By: DocuSigned by: Oly Gomez
(Signature of Chair, President, or Vice-President)

Oly Gomez — President
Name and Title

Date: 8/4/2025

By: DocuSigned by: Oly Gomez
(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Oly Gomez — Secretary
Name and Title

Date: 8/11/2025

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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COUNTY OF MONTEREY, CONTRACTS/PURCHASING DIVISION

1488 Schilling Place, Salinas CA 93901
Phone (831) 755-4990

COUNTY PRINTER/COPIER/MULTIFUNCTION MACHINE GUIDELINES AS OF 03/29/2022

New Printer/Copier/Multifunction Machines:
Per the Contracts/Purchasing Officer, County Departments may now use any vendor who are registered in the Advantage Finance System to provide printer/copier/multifunction machines. This allows County Departments more flexibility with more brand variety. When engaging with vendors it is suggested that departments request the vendor to provide cooperative agreement pricing when available in order to obtain the most competitive and the best possible pricing. It is also recommended to attach a completed quote form (page 2) as an Exhibit A to a County Standard Agreement for execution.

VENDOR INFORMATION: Sales reps shall only use the attached quote form when providing quotes. There is only one opportunity to provide a quote per machine so sales reps should submit their best possible pricing. No third-party financing is permitted. If using a vendor's contract in place of the County Standard Agreement it will require Board of Supervisors approval prior to final execution. It should also include a municipal non-appropriations clause and should not contain any language which conflicts with the quote. The County's payment terms are net 30 and shall not include interest charges. All vendors providing machines to the County shall meet the County's standard insurance requirements. Reference: County's insurance requirements are online at https://www.co.monterey.ca.us/home/showdocument?id=78136

DEPARTMENT INFORMATION: If the department obtains services from a vendor who does not offer cooperative agreement pricing, the department shall obtain two (2) or three (3) quotes for any new copier needed based on total fees. All vendors providing quotes must be registered as a vendor in Advantage.

Departments shall provide the attached form to the sales reps and request a quote using this form only. Departments would then select the one offering the most competitive price while considering all the included features and options. Departments shall **not** show one vendor's quote to another vendor as this is unfair business practice.

Once the department has executed an agreement with a vendor, the department must execute a multi-year agreement (MYA) within Advantage. The agreement and quote shall be attached to the MYA along with the 2nd and 3rd quotes to show due diligence in obtaining the best pricing if the vendor selected did not provide cooperative pricing with their quote.

Vendors will have their own contracts for the County to sign. These contracts should be routed to the Contracts/Purchasing Officer for signature. Departments are not authorized to sign a vendor contract without authorization of a BOS Order.

For Accounting Staff: The Extended Description on the DO should state:
"This purchase order is issued to Dataflow Business Systems Inc. to provide *xx* multifunction print/copy machines for the County Public Defender Department for a period of 36 months. Machine Model Ricoh IM 6000 is physically located at 168 W. Alisal St, 2nd Floor, Salinas, CA. 93901 and costs $257.03 per month. This purchase order shall cover monthly machine costs from 07/01/25 to 06/30/28. This purchase order shall expire on 6/30/28 (write in current fiscal year) and a new purchase order may be issued after that time to continue the rental term if necessary."

Docusign Envelope ID: E6A38D0E-1CBE-4534-997D-9E4BCC9F95A0

COUNTY OF MONTEREY, CONTRACTS/PURCHASING DIVISION

168 W. Alisal Street 3rd Floor, Salinas CA 93901
Phone (831) 755-4990

PRINTER/COPIER/MULTIFUNCTION MACHINE QUOTE FORM

Date: 04/29/25	Sales Rep Name: Olegario Gomez
Company Name: Dataflow Business Systems Inc.	Sales Rep Phone: 8317598760
Company Address: 540 Work St. Suite E, Salinas, CA 93901	Sales Rep Signature:

***NETWORKED**: ☒ Yes ☐ No

The following equipment shall be provided on a; ☒ **36** month term ☐ **24** month term ☐ **12** month term
Term begins on: *07/01/2025*

Copier Model:	Ricoh IM 6000	$174.20/ month	Note: Do not list standard features as Add-ons. Security Note: The County requires full hard disk encryption and data overwrite capabilities. If these are standard features do not list them as add-ons. However, if add-ons are required to meet these requirements, please list those.
Finisher Model:	SR-3260	$ 22.64/month	
Add-on:	BU-3090	$4.34/month	
Add-on:	PB-3300	$ 19.09/ month	
Add-on:	LCIT RT-3040	$26.33/month	
Add-on:	PU Type 3080NA	$10.43/month	
Add-on:	**DOSS Kit - Disk Overwrite Security Software Kit**	$_____/month	
Add-on:	HDD Encryption Unit Type A	$ /month	
Security Add-on:		$ /month	
Security Add-on:		$ /month	
Other:		$ /month	
Total Monthly Rental:		$257.03/month	

Monthly Copies Included (if any): 0 Copies – Black /month
Cost-Per-Copy: **Black $0.006 /copy**

☒ All maintenance and repair costs shall be included in pricing above, including drums & rollers
☒ All delivery, installation, and machine pick-up shall be included in pricing above
☒ Toner included as needed (no limitations) ☒ Staples included as needed (no limitations)

Ship To: County of Monterey
Public Defenders Office
168 W. Alisal St. 2nd Fl.
Salinas, CA 93901

Bill To: County of Monterey
Public Defenders Office
168 W. Alisal St. 2nd Fl.
Salinas, CA 93901

Equip Contact (name & phone): Becky Avila (831) 796-3048 Billing Contact (name & phone): Christy Corpus (831) 755-4790

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*IF THIS DEVICE WILL BE CONNECTED TO THE COUNTY NETWORK AND USED AS A SHARED PRINTING DEVICE, ITD REVIEW AND APPROVAL IS REQUIRED. PLEASE ROUTE THIS FORM TO "IT SUPPORT SERVICES" TO FACILIATE IT APPROVAL AND ASSURE TIMELY ASSISTANCE FOR INSTALLATION.

ITD Technical and Security Review Approved by:_____ Date: _____
(Security review summary shall be attached to this form if machine is networked)

ITD Management Approval: ITD Security 113B312D0D93446... Date: 5/22/2025
ITD Manager, County of Monterey Information Technology Department

Docusign Envelope ID: E6A38D0E-1CBE-4534-997D-9E4BCC9F95A0

COUNTY OF MONTEREY, CONTRACTS/PURCHASING DIVISION

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VENDOR INFORMATION: Sales reps shall only use the attached quote form when providing quotes. There is only one opportunity to provide a quote per machine so sales reps should submit their best possible pricing. No third-party financing is permitted. If using a vendor's contract in place of the County Standard Agreement it will require Board of Supervisors approval prior to final execution. It should also include a municipal non-appropriations clause and should not contain any language which conflicts with the quote. The County's payment terms are net 30 and shall not include interest charges. All vendors providing machines to the County shall meet the County's standard insurance requirements. Reference: County's insurance requirements are online at https://www.co.monterey.ca.us/home/showdocument?id=78136

DEPARTMENT INFORMATION: If the department obtains services from a vendor who does not offer cooperative agreement pricing, the department shall obtain two (2) or three (3) quotes for any new copier needed based on total fees. All vendors providing quotes must be registered as a vendor in Advantage.

Departments shall provide the attached form to the sales reps and request a quote using this form only. Departments would then select the one offering the most competitive price while considering all the included features and options. Departments shall **not** show one vendor's quote to another vendor as this is unfair business practice.

Once the department has executed an agreement with a vendor, the department must execute a multi-year agreement (MYA) within Advantage. The agreement and quote shall be attached to the MYA along with the 2nd and 3rd quotes to show due diligence in obtaining the best pricing if the vendor selected did not provide cooperative pricing with their quote.

Vendors will have their own contracts for the County to sign. These contracts should be routed to the Contracts/Purchasing Officer for signature. Departments are not authorized to sign a vendor contract without authorization of a BOS Order.

For Accounting Staff: The Extended Description on the DO should state:
"This purchase order is issued to Dataflow Business Systems Inc. to provide *xx* multifunction print/copy machines for the County Public Defender Department for a period of 36 months. Machine Model Ricoh IM C6010 is physically located at 168 W. Alisal St, 2nd Floor, Salinas, CA. 93901 and costs $346.55 per month. This purchase order shall cover monthly machine costs from 07/01/25 to 06/30/28. This purchase order shall expire on 6/30/28 (write in current fiscal year) and a new purchase order may be issued after that time to continue the rental term if necessary."

Docusign Envelope ID: E6A38D0E-1CBE-4534-997D-9E4BCC9F95A0

COUNTY OF MONTEREY, CONTRACTS/PURCHASING DIVISION

168 W. Alisal Street 3rd Floor, Salinas CA 93901
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PRINTER/COPIER/MULTIFUNCTION MACHINE QUOTE FORM

Date: 04/29/25	Sales Rep Name: Olegario Gomez
Company Name: Dataflow Business Systems Inc.	Sales Rep Phone: 8317598760
Company Address: 540 Work St. Suite E, Salinas, CA 93901	Sales Rep Signature:

***NETWORKED**: ☒ Yes ☐ No

The following equipment shall be provided on a; ☒ **36** month term ☐ **24** month term ☐ **12** month term
Term begins on: _07/01/2025__

Copier Model:	Ricoh IM C6010	$265.46/ month	Note: Do not list standard features as Add-ons. Security Note: The County requires full hard disk encryption and data overwrite capabilities. If these are standard features do not list them as add-ons. However, if add-ons are required to meet these requirements, please list those.
Finisher Model:	SR-3320	$ 22.64/month	
Add-on:	BU-3100	$4.34/month	
Add-on:	PB-3330	$ 17.35/ month	
Add-on:	LCIT RT-3050	$26.33/month	
Add-on:	PU Type 3080NA	$10.43/month	
Add-on:	**DOSS Kit - Disk Overwrite Security Software Kit**	$_____/month	
Add-on:	HDD Encryption Unit Type A	$ /month	
Security Add-on:		$ /month	
Security Add-on:		$ /month	
Other:		$ /month	
Total Monthly Rental:		$346.55/month	

Monthly Copies Included (if any): 0 Copies – Black /month
Cost-Per-Copy: **Color $ 0.055 – Black $0.0075 /copy**

☒ All maintenance and repair costs shall be included in pricing above, including drums & rollers
☒ All delivery, installation, and machine pick-up shall be included in pricing above
☒ Toner included as needed (no limitations) ☑ Staples included as needed (no limitations)

Ship To: County of Monterey
Public Defenders Office
168 W. Alisal St. 2nd Fl.
Salinas, CA 93901

Bill To: County of Monterey
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Equip Contact (name & phone): Becky Avila (831) 796-3048 Billing Contact (name & phone):ChristyCorpus(831)755-4790

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ITD Technical and Security Review Approved by:_____ Date: _____
(Security review summary shall be attached to this form if machine is networked)

ITD Management Approval: ITD Security 13B312D0D93446... Date: 5/22/2025
ITD Manager, County of Monterey Information Technology Department

EXHIBIT-A

To Agreement by and between
Monterey County Public Defender, hereinafter referred to as "County"
AND
Dataflow Business Systems Inc., hereinafter referred to as "CONTRACTOR"

Scope of Services / Payment Provisions

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

Provide (1) one multi-function Ricoh machine, model number IM C6010, color copier on a thirty-six month term.

Provide (1) one multi-function Ricoh machine, model number IM 6000, black & white copier on a thirty-six month term

B. PAYMENT PROVISIONS

B.1 COMPENSATION/ PAYMENT

County shall pay an amount not to exceed $36,500.00 for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the following rates or in accordance with the following terms:

- Model IM C6010
  Black & white impressions $0.0075
  Color impressions $0.055
  Base Lease Rate: $346.55

- Model IM C6000
  Black & white impressions $0.006
  Base Lease Rate: $257.03

There shall be no travel reimbursement allowed during this Agreement.

CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

B.2 CONTRACTORS BILLING PROCEDURES

NOTE: Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

County may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

Introduced: 8/5/2025

Current Status: General Government - Consent

Version: 1

Matter Type: BoS Resolution

Adopt a resolution continuing for an additional sixty (60) days, the Proclamation of Local Emergency in response to a structure fire and hazardous materials incident at the Moss Landing Lithium-Ion Battery Energy Storage System (BESS) Power Plant that started on January 16, 2025.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
Adopt a resolution continuing for an additional sixty (60) days, the Proclamation of Local Emergency in response to a structure fire and hazardous materials incident at the Moss Landing Lithium-Ion Battery Energy Storage System (BESS) Power Plant that started on January 16, 2025.

SUMMARY/DISCUSSION:
On January 16, 2025, shortly after 3:00 p.m. a fire began at the Vistra Energy ("Vistra") 300-MW Phase I battery energy storage facility located at the Moss Landing Power Plant. A Local Emergency was Proclaimed by the County Administrative Officer on January 17, 2025, and ratified by the Board of Supervisors on January 21, 2025. The Board further ratified the continuance of the proclamation on March 18, 2025, May 13, 2025, and July 8, 2025.

The Vistra operation is one of the largest lithium battery storage facilities in the world and the fire caused the lithium batteries to burn. Local fire officials could not extinguish the fire due to the extreme heat from the multiple lithium batteries burning, and as of January 17th the fire continued burning. Evacuation orders for the surrounding community were lifted on January 18, 2025. The evacuation orders were issued as a precaution due to the ongoing fire and concerns of exposure to hazardous materials. Air monitoring conducted by the United state Environmental Protection Agency began on January 17, 2025, within and outside the fence line of the facility indicated that particulate matter posed no risk to public health.

A state led Health Assessment Team comprised of local, state, and federal agencies began soil, dust, and water sampling on January 24, 2025. County, State, and Federal regulatory agencies have and continue to conduct environmental testing for levels of toxic metals, such as nickel, manganese, and cobalt, in the surrounding area. Data from sampling conducted by the Department of Toxic Substances Control (DTSC) indicates there are not elevated metals associated with the fire in soil. DTSC obtained soil samples directly north from the location of the fire and up to four miles away, including at residences, schools, and community parks.

On February 18, 2025, a previously burned section of the Vistra Battery Facility in Moss Landing re-ignited resulting in conflagration and smoke; Unified Command indicated the fire was under control on February 19, 2025.

On February 22, 2025, Vistra Energy, under the direction of local, state, and federal regulatory agencies has initiated a lengthy and arduous hazardous material and structural debris removal process.

A Local Emergency was Proclaimed by the County Administrative Officer on January 17, 2025, and ratified by the Board of Supervisors on January 21, 2025.

Pursuant to California Government Code Section 8630, subdivision (a), and Monterey County Code section 2.68.025 the County Administrative Officer may proclaim the existence of a local emergency when the County is affected by or threatened to be affected by a public calamity. The Government Code requires that an emergency proclamation be ratified by the Board of Supervisors within 7 days of its issuance and be reviewed at least once every (60) days until the emergency is terminated.

OTHER AGENCY INVOLVEMENT:
Numerous County departments and other state and federal agencies have participated in the response to the emergency including the Department of Emergency Management, Sheriff's Office, County Administrative Office, Public Works, Facilities, and Parks, and Housing and Community Development.

FINANCING:
The Finance Section of the Emergency Operations Center (EOC) was activated on January 17, 2025, and demobilized on January 24, 2025; Staff continues to compile costs associated with response and recovery related to this emergency. The costs and the impacts to the County will continue to be evaluated and presented under separate financial reports and request for funding augmentations to the Board by the EOC Finance Section.

Prepared by: Maria Trujillo, Administrative Secretary, x1905
Approved by: Kelsey Scanlon, Director of Emergency Management, x1902
Approved by: Nick Chiulos, Chief Assistant County Administrative Officer, x5145

Attachments:
Attachment A: Draft Resolution

Introduced: 8/5/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Resolution

Adopt a resolution continuing for an additional sixty (60) days, the Proclamation of Local Emergency in response to a structure fire and hazardous materials incident at the Moss Landing Lithium-Ion Battery Energy Storage System (BESS) Power Plant that started on January 16, 2025.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
Adopt a resolution continuing for an additional sixty (60) days, the Proclamation of Local Emergency in response to a structure fire and hazardous materials incident at the Moss Landing Lithium-Ion Battery Energy Storage System (BESS) Power Plant that started on January 16, 2025.

SUMMARY/DISCUSSION:
On January 16, 2025, shortly after 3:00 p.m. a fire began at the Vistra Energy ("Vistra") 300-MW Phase I battery energy storage facility located at the Moss Landing Power Plant. A Local Emergency was Proclaimed by the County Administrative Officer on January 17, 2025, and ratified by the Board of Supervisors on January 21, 2025. The Board further ratified the continuance of the proclamation on March 18, 2025, May 13, 2025, and July 8, 2025.

The Vistra operation is one of the largest lithium battery storage facilities in the world and the fire caused the lithium batteries to burn. Local fire officials could not extinguish the fire due to the extreme heat from the multiple lithium batteries burning, and as of January 17th the fire continued burning. Evacuation orders for the surrounding community were lifted on January 18, 2025. The evacuation orders were issued as a precaution due to the ongoing fire and concerns of exposure to hazardous materials. Air monitoring conducted by the United state Environmental Protection Agency began on January 17, 2025, within and outside the fence line of the facility indicated that particulate matter posed no risk to public health.

A state led Health Assessment Team comprised of local, state, and federal agencies began soil, dust, and water sampling on January 24, 2025. County, State, and Federal regulatory agencies have and continue to conduct environmental testing for levels of toxic metals, such as nickel, manganese, and cobalt, in the surrounding area. Data from sampling conducted by the Department of Toxic Substances Control (DTSC) indicates there are not elevated metals associated with the fire in soil. DTSC obtained soil samples directly north from the location of the fire and up to four miles away, including at residences, schools, and community parks.

On February 18, 2025, a previously burned section of the Vistra Battery Facility in Moss Landing

re-ignited resulting in conflagration and smoke; Unified Command indicated the fire was under control on February 19, 2025.

On February 22, 2025, Vistra Energy, under the direction of local, state, and federal regulatory agencies has initiated a lengthy and arduous hazardous material and structural debris removal process.

A Local Emergency was Proclaimed by the County Administrative Officer on January 17, 2025, and ratified by the Board of Supervisors on January 21, 2025.

Pursuant to California Government Code Section 8630, subdivision (a), and Monterey County Code section 2.68.025 the County Administrative Officer may proclaim the existence of a local emergency when the County is affected by or threatened to be affected by a public calamity. The Government Code requires that an emergency proclamation be ratified by the Board of Supervisors within 7 days of its issuance and be reviewed at least once every (60) days until the emergency is terminated.

OTHER AGENCY INVOLVEMENT:
Numerous County departments and other state and federal agencies have participated in the response to the emergency including the Department of Emergency Management, Sheriff's Office, County Administrative Office, Public Works, Facilities, and Parks, and Housing and Community Development.

FINANCING:
The Finance Section of the Emergency Operations Center (EOC) was activated on January 17, 2025, and demobilized on January 24, 2025; Staff continues to compile costs associated with response and recovery related to this emergency. The costs and the impacts to the County will continue to be evaluated and presented under separate financial reports and request for funding augmentations to the Board by the EOC Finance Section.

Prepared by: Maria Trujillo, Administrative Secretary, x1905
Approved by: Kelsey Scanlon, Director of Emergency Management, x1902
Approved by: Nick Chiulos, Chief Assistant County Administrative Officer, x5145

Attachments:
Attachment A: Draft Resolution

Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.

Continuing the Proclamation of a Local Emergency issued by the Chief County Administrative Officer on January 17, 2025.

WHEREAS, conditions of extreme peril warranted and necessitated a Proclamation of the Existence of a Local Emergency issued by the County Administrative Officer on January 17, 2025;and

WHEREAS, the Board of Supervisors ratified the proclamation on January 21, 2025; and

WHEREAS, the Board Of Supervisors further ratified the proclamation on March 18, 2025; and

WHEREAS, the Board of Supervisors further ratified the proclamation on May 13, 2025; and

WHEREAS, the Board of Supervisors further ratified the proclamation on July 8, 2025; and

WHEREAS, the California Emergency Services Act (Government Code section 8630, *et seq*.) establishes procedures for proclaiming emergencies and for responding promptly to the needs that arise during emergencies; and,

WHEREAS, Section 2.68.025 of the Monterey County Code and Section 8630 of the Government Code empower the County Administrative Officer, or designee, to proclaim the existence of a local emergency when the County of Monterey ("County") is affected by or likely to be affected by a public calamity, if the Board of Supervisors is not in session; and,

WHEREAS, pursuant to Government Code section 8630(b), once a local emergency is declared, it will remain in effect for a period of no more than seven (7) days, unless ratified by the Board of Supervisors; and,

WHEREAS, pursuant to Government Code section 8630(c), the Board of Supervisors shall review the need for continuing the local emergency at least once every sixty (60) days until the Board of Supervisors terminates the local emergency; and,

WHEREAS, the governing body shall proclaim the termination of the local emergency at the earliest possible date that conditions warrant; and,

WHEREAS, pursuant to Government Code section 8685, *et seq*., in order to obtain monies from both state and federal agencies, the local government must declare a local emergency; and,

WHEREAS, conditions of a local emergency can be better controlled if the local government has specific powers granted through the proclamation of a local emergency; and,

WHEREAS, section 2.68.025 of the Monterey County Code and section 8630 of the Government Code empower the County Administrative Officer, or the Board of Supervisors if the Board of Supervisors is in session, to proclaim the existence of a Government Code section 8558, subdivision (c), local emergency when the County is affected by or likely to be affected by a public calamity; and,

WHEREAS, on January 16, 2025, an emergency proclamation was made by the County Administrative Officer; and,

WHEREAS, the Board of Supervisors ratified the proclamation on January 21, 2025;

WHEREAS, shortly after 3:00 p.m. on January 16, 2025, a fire began at the Vistra Energy ("Vistra") 300-MW Phase I battery energy storage facility located at the Moss Landing Power Plant; and,

WHEREAS, the Vistra operation is one of the largest lithium battery storage facilities in the world and the fire caused the lithium batteries to burn; and,

WHEREAS, local fire officials could not extinguish the fire due to the extreme heat from the multiple lithium batteries burning; and,

WHEREAS, in response to the fire, on January 16th, the Monterey County Sheriff evacuated approximately 1,200 individuals in the area; and,

WHEREAS, also on January 16th, both northbound and southbound lanes of California State Route 1 ("Highway 1") were closed at Salinas Road and other local area roads were closed and these road closures have impacted local residents, businesses, and the traveling public; and,

WHEREAS, also on January 16th due to potential hazardous fumes from the fire, County health officials advised residents to stay indoors, keep windows and doors closed, limit outdoor exposure, and turn off ventilation systems; and,

WHEREAS, the County of Santa Cruz Public Health officials also asked residents to stay indoors, close windows and doors, limit outdoor exposure, and turn off ventilation systems overnight on January 16th. As of January 17th, Santa Cruz County residents are told there is no imminent threat and can resume normal activities; and,

WHEREAS, on January 17th, North Monterey County Unified School District closed all of its schools and district offices, and Hartnell College closed its Castroville Education Center; and,

WHEREAS, the cause of the fire has not yet been determined, but an investigation will begin once the fire is extinguished; and,

WHEREAS, on February 18, 2025, a previously burned section of the Vistra Battery Facility in Moss Landing re-ignited resulting in conflagration and smoke; Unified Command indicated the fire was under control on February 19, 2025; and,

WHEREAS, on February 22, 2025, Vistra Energy, under the direction of local, state, and federal regulatory agencies has initiated a lengthy and arduous hazardous material and structural debris removal process; and,

WHEREAS, the aforesaid conditions of extreme peril warrant and necessitate the ratification of the Proclamation of the Existence of a Local Emergency issued by the County Administrative Officer or designee on January 17, 2025, and immediate action is necessary to mitigate public calamity, and to protect life and property as affected by such emergency.

NOW THEREFORE, BE IT RESOLVED, by the Board of Supervisors in and for the County of Monterey as follows:

1. Pursuant to Government Code section 8630, subdivision (c), the continuance of the Proclamation of a Local Emergency issued by the County Administrative Officer on January 17, 2025, and ratified by the Board of Supervisors on January 21, 2025, shall continue for another sixty (60) days.
2. During the existence of said local emergency the powers, functions, and duties of the County Administrative Officer and the emergency organization of the County of Monterey shall be those prescribed by state law and the ordinances, resolutions, and approved plans of the County in order to mitigate the effects of said local emergency.

3. During the existence of said local emergency the powers, functions, and duties of the County Administrative Officer, or designee, the Public Works, Facilities, and Parks Department (PWF&P), the Department of Housing and Community Development, and the Department of Emergency Management shall be those prescribed by state law and the ordinances, resolutions, and approved plans of the County in order to mitigate the effects of the local emergency.

4. Pursuant to Public Contract Code sections 20134, 22050, and 20395, the PWF&P Director, or designee, is hereby authorized to engage independent contractors to complete all necessary work to mitigate the effects of said local emergency. Contracts for this work may be executed without prior Board of Supervisors of the County of Monterey approval of the plans, specifications, and working details, without giving notice for bids to let contracts.

5. The County Administrative Officer, or designee, is hereby designated as the authorized representative for public and individual assistance of the County of Monterey for the purpose of receipt, processing, and coordination of all inquiries and requirements necessary to obtain available state and federal assistance.

PASSED AND ADOPTED on this 26th day of August 2025, upon motion of Supervisor _____, seconded by Supervisor _____, by the following vote, to-wit:

AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original resolution of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____for the meeting on _____.

Dated:

Valerie Ralph
Clerk of the Board of Supervisors
County of Monterey, State of California

By_____
, Deputy

Introduced:

Current Status: General Government - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Director of the Emergency Communications Department to sign an agreement between the County of Monterey and PowerDMS, Inc., for a term of September 29, 2025 through September 28, 2028, for an amount not to exceed $17,573 to provide PowerEngage software to the Emergency Communications Department;
b. Accept nonstandard terms as recommended by the Director of the Emergency Communications Department; and
c. Authorize the Director of the Emergency Communications Department to sign up to three amendments to this Agreement where the total amendments do not exceed 10% ($1,757) of the original agreement amount and do not significantly change the scope of work.

RECOMMENDATION:
It is recommended that the Board of Supervisors:

a. Approve and authorize the Director of the Emergency Communications Department to sign an agreement between the County of Monterey and PowerDMS, Inc., for a term of September 29, 2025 through September 28, 2028, for an amount not to exceed $17,573 to provide PowerEngage software to the Emergency Communications Department;
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SUMMARY/DISCUSSION:
The Monterey County Emergency Communications Department (ECD) is a consolidated public safety answer point and dispatch facility serving 28 law enforcement, fire protection, and emergency medical services (EMS) response agencies throughout Monterey County.

This agreement provides the PowerEngage software to the ECD. PowerEngage is an automated text message survey platform to get caller feedback on their experience during the phone call with the ECD dispatcher. PowerEngage also includes a results dashboard and a custom survey builder. ECD displays positive results on a screen in the dispatch center as a tool to boost employee moral. Negative feedback is reviewed by management and used to identify training opportunities for dispatchers.

Since 2021 when the Department began using this program over 100,000 surveys have been sent with a positive response from 89% of them. The overall completion rate of sent surveys is

33%.

OTHER AGENCY INVOLVEMENT:
County Counsel has approved this Agreement as to legal form. The Auditor-Controller cannot approve the non-standard Agreement. Contracts/Purchasing has reviewed and approved this Agreement.

FINANCING:
Sufficient appropriations and estimated revenues are included in the FY2025-26 adopted budget for the annual license cost of $5,857.50. Costs for future fiscal years will be requested through the annual budget process.
BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
This purchase correlates to the Board's Administration and Public Safety Strategic Initiatives by allowing the Department of Emergency Communications monitor employee performance and find opportunities for employee development and training while enhancing moral by sharing the positive feedback received.

Mark a check to the related Board of Supervisors Strategic Initiatives

__Economic Development
_X_ Administration
__Health & Human Services
__Infrastructure
_x_Public Safety

Prepared by: John Vaught, Finance Manager, x8883

Approved by: Lee Ann Magoski, Emergency Communications Director x8880

Attachments:
Agreement
Board Report

Introduced:

Version: 1

Current Status: Agenda Ready

Matter Type: BoS Agreement

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This agreement provides the PowerEngage software to the ECD. PowerEngage is an automated text message survey platform to get caller feedback on their experience during the phone call with the ECD dispatcher. PowerEngage also includes a results dashboard and a custom survey builder. ECD displays positive results on a screen in the dispatch center as a tool to boost employee moral. Negative feedback is reviewed by management and used to identify training opportunities for dispatchers.

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__Economic Development
_X_ Administration
__Health & Human Services
__Infrastructure
_x_Public Safety

Prepared by: John Vaught, Finance Manager, x8883

Approved by: Lee Ann Magoski, Emergency Communications Director x8880

Attachments:
Agreement
Board Report

Docusign Envelope ID: FD297248-FB71-4A07-81CF-7CCB16085BC4

COUNTY OF MONTEREY NON-STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

PowerDMS, Inc.

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide: PowerEngage software to the Emergency Communications Department.

2.0 PAYMENT PROVISIONS:

2.01 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 17,572.50.

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from 9/29/2025 to 9/28/2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

Initial SB

Initial SM

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately. County shall receive no refund of previously paid license fees in the event it terminates for convenience.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other: Modifications to Standard Agreement

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5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 CONTRACTOR shall not receive reimbursement for mileage or travel expenses unless set forth in this Agreement.

7.0 TERMINATION:

Initial SB

Initial SM

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination. **County shall not be entitled to refund of previously paid license fees in the event it terminates for convenience.**

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to

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indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

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9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Workers' Compensation Waiver of Subrogation:

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials,

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employees, agents, or volunteers.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance and endorsements with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.01 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after reciept of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining

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to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

Initial SB Initial SM

10.05 **Royalties and Inventions:** ~~County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement.~~ CONTRACTOR shall not publish any such material without the prior written approval of County.

10.06 **Format of Deliverables:** For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.01 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses,

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pay all charges and fees, and give all notices require by law in the performance of the Services.

13.02 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.03 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Lee Ann Magoski - Director of Emergency Communications Department	PowerDMS Renewals
Name and Title	Name and Title
1322 Natividad Road Salinas CA 93906	2120 Park Place Suite 100 El Segundo, CA 90245
Address	Address
831-769-8880	renewals@powerdms.com
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance

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of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

Initial SB Initial SM

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. ~~None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County.~~ Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

Initial SB Initial SM

16.17 See Exhibit B for additional terms incorporated into this Agreement

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.01 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.02 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.03 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

********** THIS SECTION INTENTIONALLY LEFT BLANK **********

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18.0 SIGNATURE PAGE

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

NEOGOV LEGAL KS
11:21 am, Jun 04 2025

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: Signed by: Samuel Biderwell
31B2028C241644B...
County Counsel

Date: 8/7/2025 | 9:16 AM PDT

Approved as to Fiscal Provisions

By: _____
Auditor/Controller

Date: _____

Reviewed as to Liability Provisions
Office of the County Counsel-Risk Management

By: _____
David Bolton, Risk Manager

Date: _____

CONTRACTOR

PowerDMS, Inc.
Contractor/Business Name *

By: DocuSigned by:
B33C185B080A454...

Sandy Miranda Chief Customer Officer
Name and Title

Date: 6/4/2025 | 9:21:44 AM PDT

By: Signed by: Aaron Coleman
BD7BF76F47574A4...

Aaron Coleman COO
Name and Title

Date: 6/11/2025 | 10:19:31 AM PDT

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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Exhibit A To Agreement by and between Monterey County, through its Emergency Communications Department, hereinafter referred to as "COUNTY"
AND
PowerDMS, Inc., hereinafter referred to as "CONTRACTOR"

Scope of Services / Payment Provisions

SCOPE OF SERVICES

CONTRACTOR'S Duties. CONTRACTOR shall provide to COUNTY an online subscription license for PowerEngage, including an automated text message / text survey platform for 9-1-1 or Dispatch Centers based on interaction with the 9-1-1 Center / Dispatch Centers, Rules Engine, a Survey Builder about the interaction with the Center Staff, Measurement Dashboards, and Task Creation and Positive Feedback. The license shall also include connection to agency Computer Aided Dispatch (CAD).

CAD/RMS Assumptions. The parties agree that the fees specified with respect to the PowerEngage Platform do not include any additional fees that the County's CAD or RMS vendor may charge, if any. This Agreement is entered into with the mutual assumption that the PowerEngage Platform will be able to make a connection to County's CAD or RMS replicated or reporting database directly or will be able to read from a file produced for such a purpose.

CAD/RMS Provisions. Any County CAD and/or RMS data made available to CONTRACTOR in connection with the provision of the PowerEngage Platform shall be kept confidential by the CONTRACTOR.

SOW. CONTRACTOR shall provide the PowerEngage software, training, configuration and support services with respect to the PowerEngage Platform, and County acknowledges that its cooperation is required for efficient and timely completion of these services of the PowerEngage Platform, in accordance with the following:

Power Engage Software. PowerEngage will be used to survey citizens that have interacted with County, send messages to citizens or other stakeholders and gather and report on data. County will be able to configure the surveys and rules based on data received from the Computer Aided Dispatch System. The results of the surveys will be stored within PowerEngage and available for display in a Feedback Board and within the analytics component called Measure. Other rules and messages can be built to be triggered to send on certain events as driven by the rules engine.

SUPPORT SERVICES

Training. If CONTRACTOR makes updates or changes to the PowerEngage Platform, CONTRACTOR shall provide all necessary training to County on these updates and changes.

Telephone Assistance. County will be given the telephone number for a support line and will be entitled to contact the support line during normal operating hours (between 7:30am and 5:30pm Central Time) on regular business days, excluding CONTRACTOR holidays, to consult with CONTRACTOR technical support staff concerning problem resolution, bug reporting, documentation clarification, and general technical guidance. Assistance may include remote connectivity, modem, or electronic bulletin board.

Software Problem Reporting. County may submit requests to CONTRACTOR identifying potential problems in the PowerEngage software. Requests should be in writing and directed to CONTRACTOR by e-

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mail, or through the CONTRACTOR support website. CONTRACTOR retains the right to determine in the final disposition of all requests and will inform County of the disposition of each request. If CONTRACTOR acts upon a request, it will do so by providing a bug fix.

Scheduled Maintenance. Software may be unavailable periodically for system maintenance. Regular system maintenance includes installation of the software updates, operating system updates/patches and updates to other third-party applications as needed. County may be notified of maintenance periods via an email message or via a banner on the main page of the PowerEngage Platform.

Exclusions from Technical Support Services. CONTRACTOR shall have no support obligations with respect to any third-party hardware or software product.

PAYMENT PROVISIONS

In consideration of Pilot Agreement #1520-22001 between CueHit, Inc. and the County of Monterey which was executed on September 29, 2021, PowerDMS, Inc. agrees to honor the Pilot Client Subscription Price where the maximum price for the PowerEngage Software and Support Services shall not exceed six thousand fifty dollars ($6,050) per year in perpetuity.

CONTRACTOR shall invoice County at the beginning of each annual term.

County shall pay CONTRACTOR an amount not to exceed $17,572.50 for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the rates as forth below:

Item	Cost per Annual Term	Start Date	End Date	Term	Total
PowerEngage Subscription	$5,857.50	9/29/25	9/28/28	3 (Years)	$17,572.50
Automated text message / text survey platform for 9-1-1 or Dispatch Centers based on interaction with the 9-1-1 Center / Dispatch Center . Includes Rules Engine, Survey Builder - about the interaction with the Center Staff, Measurement Dashboards, Task Creation and Positive Feedback. Includes connection to agency Computer Aided Dispatch (CAD). Does not include fees, if any, charged by the CAD vendor.					
					TOTAL: $17,572.50

This price does not include any sales tax.

(END OF EXHIBIT A)

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Exhibit B To Agreement by and between Monterey County, through its Emergency Communications Department, hereinafter referred to as "COUNTY"
AND
PowerDMS, Inc., hereinafter referred to as "CONTRACTOR"

.

The parties agree that Section 16.17 is added to the Agreement with the following language:

Section 16.17.A Cloud License. "Cloud Services" means PowerEngage. Subject to and conditioned on County's and its Authorized Users' compliance with the terms and conditions of this Agreement, Contractor hereby grants to County a limited, non-exclusive, non- transferable, and non-sublicensable license to (a) access and use, and to permit Authorized Users to access and use, the Cloud Services specified herein solely for County's internal purposes; (b) generate, print, copy, upload, download, store and otherwise process all County Data as may result from any access to or use of the Cloud Services; and (c) train Authorized Users in uses of the Cloud Services permitted hereunder. "Authorized Users" means (i) County employees, and (ii) County agents, contractors, consultants, and their respective employees, all of which are pre-approved by Contractor. Contractor shall not use the Cloud Services for any other purposes.

Section 16.17.B Delivery and License Term. Contractor delivers the Cloud Services by providing County with online access. When County accesses Contractor Cloud Services, it accepts it for use in accordance with this Agreement.

Section 16.17.C Training Materials. Primary training of Contractor Services is conducted by self- review of online materials. Contractor's pre-built, online training, consists of a series of tutorials to introduce the standard features and functions (the "Training Materials"). The Training Materials may be used as reference material by County Personnel conducting day-to-day activities.

Section 16.17.D Modifications, Updates, and Upgrades. Contractor may in its sole discretion, periodically modify, Update, and Upgrade the features, components and functionality of the Services during the Term. "Update" means any update, bug fix, patch or correction of the Services or underlying Contractor software that Contractor makes generally available to its customers of the same module, excluding Upgrades. Updates are automatic and available upon County's next login to the Services following an Update at no additional cost to County. "Upgrade" means any update of the Services or underlying Contractor software such as platform updates, and major product enhancements and/or new features that Contractor makes commercially available. Contractor shall have no obligation to provide Upgrades to customers and retains the right to offer Upgrades free of cost or on a per customer basis at additional cost. If an Upgrade has a cost to County, County may refuse the upgrade and continue to use the current version for the duration of this Agreement. Contractor shall have no liability for, or any obligations to, investments in, or

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modifications to County's hardware, systems or other software which may be necessary to use or access the Services due to a modification, Update, or Upgrade of the Services.

Section 16.17.E Contractor Intellectual Property. Contractor shall exclusively own all right, title and interest in and to all pre-existing and future intellectual property developed or delivered by Contractor including all Services, products, systems, software (including any source code or object code) or Service Specifications related thereto, Updates or Upgrades, trademarks, service marks, logos and other distinctive brand features of Contractor and all proprietary rights embodied therein (collectively, the "Contractor Intellectual Property"). This Agreement does not convey or transfer title or ownership of the Contractor Intellectual Property to County or any of its users. All rights not expressly granted herein are reserved by Contractor. Other than recommendation use or as required by law, all use of Contractor Trademarks must be pre-approved by Contractor prior to use. Trademarks shall include any word, name, symbol, color, designation or device or any combination thereof that functions as a source identifier, including any trademark, trade dress, service mark, trade name, logo, design mark or domain name, whether or not registered.

Section 16.17.F No Other Warranty. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS WARRANTY SECTION, THE SERVICES ARE PROVIDED ON AN "AS IS" BASIS, AND CUSTOMER'S USE OF THE SERVICES IS AT ITS OWN RISK. Contractor DOES NOT MAKE, AND HEREBY DISCLAIMS, ANY AND ALL OTHER EXPRESS AND/OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT AND TITLE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICE. Contractor DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED, ERROR-FREE, OR COMPLETELY SECURE, OR THAT ANY ERROR WILL BE CORRECTED.

Section 16.17.G Disclaimer of Actions Caused by and/or Under the Control of Third Parties. Contractor DOES NOT AND CANNOT CONTROL THE FLOW OF DATA TO OR FROM THE Contractor SYSTEM AND OTHER PORTIONS OF THE INTERNET. SUCH FLOW DEPENDS IN LARGE PART ON THE PERFORMANCE OF INTERNET SERVICES PROVIDED OR CONTROLLED BY THIRD PARTIES. AT TIMES, ACTIONS OR INACTIONS OF SUCH THIRD PARTIES CAN IMPAIR OR DISRUPT CUSTOMER'S CONNECTIONS TO THE INTERNET (OR PORTIONS THEREOF). ALTHOUGH Contractor WILL USE COMMERCIALLY REASONABLE EFFORTS TO TAKE ALL ACTIONS IT DEEMS APPROPRIATE TO REMEDY AND AVOID SUCH EVENTS, Contractor CANNOT GUARANTEE THAT SUCH EVENTS WILL NOT OCCUR. ACCORDINGLY, Contractor DISCLAIMS ANY AND ALL LIABILITY RESULTING FROM OR RELATED TO SUCH EVENTS.

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Section 16.17.H Waiver. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY OR TO ANY OTHER PERSON OR ENTITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, CUSTOMER'S USE OR, OR INABILITY TO USE, THE SERVICES, UNDER ANY CIRCUMSTANCE, CAUSE OF ACTION OR THEORY OF LIABILITY, OR DUE TO ANY EVENT WHATSOEVER, FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, OR EXEMPLARY DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, LOSS OF BUSINESS OPPORTUNITY OR PROFIT, LOSS OF USE, LOSS OF GOODWILL OR BUSINESS STOPPAGE, EVEN IF A PARTY KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

Section 16.17.I Limitation. WITHOUT LIMITATION OF THE ABOVE, EXCEPT FOR DAMAGES ARISING OUT OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR ANY OTHER LIABILITY WHICH CANNOT BE LAWFULLY EXCLUDED OR LIMITED, THE TOTAL LIABILITY OF EITHER PARTY FOR ANY AND ALL CLAIMS AGAINST THE OTHER PARTY UNDER THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT OF ALL PAYMENTS ACTUALLY RECEIVED BY Contractor FROM CUSTOMER DURING THE RELEVANT YEAR OF THIS AGREEMENT DURING WHICH THE CAUSE OF ACTION AROSE. THE FOREGOING LIMITATION OF LIABILITY IS CUMULATIVE WITH ALL PAYMENTS FOR CLAIMS OR DAMAGES IN CONNECTION WITH THIS AGREEMENT BEING AGGREGATED TO DETERMINE SATISFACTION OF THE LIMIT. THE EXISTENCE OF ONE OR MORE CLAIMS WILL NOT ENLARGE THE LIMIT. THE PARTIES ACKNOWLEDGE AND AGREE THAT THIS LIMITATION OF LIABILITY IS AN ESSENTIAL ELEMENT OF THE BASIS OF THE BARGAIN BETWEEN THE PARTIES AND SHALL APPLY NOTWITHSTANDING THE FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. EACH PARTY ACKNOWLEDGES THAT THIS LIMITATION OF LIABILITY REFLECTS AN INFORMED, VOLUNTARY ALLOCATION BETWEEN THE PARTIES OF THE RISKS (KNOWN AND UNKNOWN) THAT MAY EXIST IN CONNECTION WITH THIS AGREEMENT AND HAS BEEN TAKEN INTO ACCOUNT AND REFLECTED IN DETERMINING THE CONSIDERATION TO BE GIVEN BY EACH PARTY UNDER THIS AGREEMENT AND IN THE DECISION BY EACH PARTY TO ENTER INTO THIS AGREEMENT.

(END OF EXHIBIT B)

Introduced: 8/7/2025

Current Status: General Government - Consent

Version: 1

Matter Type: BoS Agreement

a. Authorize the Chief Information Officer to execute Amendment No. 3 to the Agreement with SHI International Corporation, utilizing a cooperative agreement with Sourcewell to purchase Information Technology services, equipment, and products for the County extending the term through February 27, 2028, and adding $750,000; and
b. Authorize the Chief Information Officer or his designee to sign order forms and such documents as are necessary to implement the amendment with SHI International Corporation for IT products and services; and
c. Accept non-standard contract provisions as recommended by the Chief Information Officer; and
d. Authorize the Chief Information Officer the option to extend the agreement up to three (3) additional one (1) year periods through February 27, 2031, provided that the total additional costs do not exceed 10% of the prior year's cost, for a total agreement not to exceed amount of $2,160,250 and so long as the Order Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review.

RECOMMENDATION:
It is recommended that the Board of Supervisors:

a. Authorize the Chief Information Officer to execute Amendment No. 3 to the Agreement with SHI International Corporation, utilizing a cooperative agreement with Sourcewell to purchase Information Technology services, equipment, and products for the County extending the term through February 27, 2028, and adding $750,000; and
b. Authorize the Chief Information Officer or his designee to sign order forms and such documents as are necessary to implement the amendment with SHI International Corporation for IT products and services; and
c. Accept non-standard contract provisions as recommended by the Chief Information Officer; and
d. Authorize the Chief Information Officer the option to extend the agreement up to three (3) additional one (1) year periods through February 27, 2031, provided that the total additional costs do not exceed 10% of the prior year's cost, for a total agreement not to exceed amount of $2,160,250 and so long as the Order Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review.

SUMMARY:
SHI International Corporation (SHI) serves as a reseller of software, hardware, and technology services that support both proprietary operations of county departments and enterprise functions

of the Information Technology Department (ITD). Approval of this amendment will enable ITD to continue procuring essential technology products on an as-needed basis through a master cooperative agreement that was competitively solicited via Sourcewell RFP#121923.

DISCUSSION:
Sourcewell is a government service cooperative established by the Minnesota legislature to streamline procurement for its members through nationally competitive solicitations. As a registered member (ID#18170), the County of Monterey can utilize Sourcewell's pre-negotiated contracts that includes SHI. This process offers a cost-effective and efficient method for procuring IT products and services while ensuring responsible use of public funds. Although the Sourcewell agreement with SHI includes non-standard terms for the County, they are typical within the IT industry. The approval of this recommended action by the Chief Information Officer will enable the county to continue to procure the necessary software, hardware, and technology services that support the county's continuity of business.
The Sourcewell agreement, will continue to govern the County's purchase of IT products and services through SHI, contains non-standard terms to the County but is expected in the information technology industry. The Chief Information Officer recommends Board approval of this cooperative agreement amendment.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
County Counsel has reviewed the Amendment to the Agreement with Sourcewell. Auditor-Controller reviewed the contract but does not agree to the non-standard payment provisions.

FINANCING:
The funds for payment of the cost of this Agreement have been included in the Fiscal Year 2025-2026 Approved Budget for the Information Technology Department, ITD 1930, Appropriations Unit INF002. All future year costs will be included in the submitted budget for each of the respective fiscal years.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
The Board's approval of the agreement will allow ITD to continue to procure technology products and services at a discounted rate for all County departments.

____ Well-Being and Quality of Life
____ Sustainable Infrastructure for the Present and Future
____ Safe and Resilient Communities
X Diverse and Thriving Economy
X Dynamic Organization and Employer of Choice
____ Administrative

Prepared by: Teresa Meister, Management Analyst II, 759-6938

Approved by: Eric A. Chatham, Chief Information Officer, 759-6920

Attachments:

SHI-Sourcewell Solicitation RFP#121923 Contract

Introduced: 8/7/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

a. Authorize the Chief Information Officer to execute Amendment No. 3 to the Agreement with SHI International Corporation, utilizing a cooperative agreement with Sourcewell to purchase Information Technology services, equipment, and products for the County extending the term through February 27, 2028, and adding $750,000; and
b. Authorize the Chief Information Officer or his designee to sign order forms and such documents as are necessary to implement the amendment with SHI International Corporation for IT products and services; and
c. Accept non-standard contract provisions as recommended by the Chief Information Officer; and
d. Authorize the Chief Information Officer the option to extend the agreement up to three (3) additional one (1) year periods through February 27, 2031, provided that the total additional costs do not exceed 10% of the prior year's cost, for a total agreement not to exceed amount of $2,160,250 and so long as the Order Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Authorize the Chief Information Officer to execute Amendment No. 3 to the Agreement with SHI International Corporation, utilizing a cooperative agreement with Sourcewell to purchase Information Technology services, equipment, and products for the County extending the term through February 27, 2028, and adding $750,000; and
b. Authorize the Chief Information Officer or his designee to sign order forms and such documents as are necessary to implement the amendment with SHI International Corporation for IT products and services; and
c. Accept non-standard contract provisions as recommended by the Chief Information Officer; and
d. Authorize the Chief Information Officer the option to extend the agreement up to three (3) additional one (1) year periods through February 27, 2031, provided that the total additional costs do not exceed 10% of the prior year's cost, for a total agreement not to exceed amount of $2,160,250 and so long as the Order Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review.

SUMMARY:
SHI International Corporation (SHI) serves as a reseller of software, hardware, and technology services that support both proprietary operations of county departments and enterprise functions of the Information Technology Department (ITD). Approval of this amendment will enable ITD to continue procuring essential technology products on an as-needed basis through a master cooperative agreement that was competitively solicited via Sourcewell RFP#121923.

DISCUSSION:
Sourcewell is a government service cooperative established by the Minnesota legislature to streamline procurement for its members through nationally competitive solicitations. As a registered member (ID#18170), the County of Monterey can utilize Sourcewell's pre-negotiated contracts that includes SHI. This process offers a cost-effective and efficient method for procuring IT products and services while ensuring responsible use of public funds. Although the Sourcewell agreement with SHI includes non-standard terms for the County, they are typical within the IT industry. The approval of this recommended action by the Chief Information Officer will enable the county to continue to procure the necessary software, hardware, and technology services that support the county's continuity of business.
The Sourcewell agreement, will continue to govern the County's purchase of IT products and services through SHI, contains non-standard terms to the County but is expected in the information technology industry. The Chief Information Officer recommends Board approval of this cooperative agreement amendment.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
County Counsel has reviewed the Amendment to the Agreement with Sourcewell.
Auditor-Controller reviewed the contract but does not agree to the non-standard payment provisions.

FINANCING:
The funds for payment of the cost of this Agreement have been included in the Fiscal Year 2025-2026 Approved Budget for the Information Technology Department, ITD 1930, Appropriations Unit INF002. All future year costs will be included in the submitted budget for each of the respective fiscal years.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
The Board's approval of the agreement will allow ITD to continue to procure technology products and services at a discounted rate for all County departments.

____ Well-Being and Quality of Life
____ Sustainable Infrastructure for the Present and Future
____ Safe and Resilient Communities
X Diverse and Thriving Economy
X Dynamic Organization and Employer of Choice
____ Administrative

Prepared by: Teresa Meister, Management Analyst II, 759-6938

Approved by: Eric A. Chatham, Chief Information Officer, 759-6920

Attachments:
SHI-Sourcewell Solicitation RFP#121923 Contract

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Sourcewell

Solicitation Number: RFP #121923

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and SHI International Corp., 290 Davidson Ave., Somerset, NJ 08873 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Technology Products and Services with Related Solutions from which Supplier was awarded a contract in Category 1.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

EXPIRATION DATE AND EXTENSION. This Contract expires February 27, 2028, unless it is cancelled sooner pursuant to Article 22. This Contract allows up to three additional one-year extensions upon the request of Sourcewell and written agreement by Supplier. Sourcewell retains the right to consider additional extensions beyond seven years as required under exceptional circumstances.

B. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

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2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract. "Equipment" and "Products" shall mean the third-party software, computer peripherals, computer hardware, and associated IT services resold by Vendor and provided by third parties. "Services" shall mean all professional services provided by Vendor under of a Statement of Work. "Statement of Work" or "SOW" shall mean a document mutually agreed upon between the Vendor and the Member that references these terms and conditions and describes the Services to be provided, the associated schedule and price, and any special conditions applicable to that SOW.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances. In addition, Supplier warrants the Services are free from material defects for ninety (90) days commencing with final acceptance of Services unless otherwise specified in a SOW (the "Warrant Period"). WARRANTY. Participating Entity agrees to look solely to the manufacturer to reach a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT AND/OR ANY ORDER ISSUED, HEREUNDER VENDOR DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WARRANTY OF NONINFRINGEMENT, OR ANY WARRANTY RELATING TO THIRD PARTY SERVICES OR PRODUCTS. THIS DISCLAIMER CONTAINED IN THIS PARAGRAPH DOES NOT AFFECT THE TERMS OF ANY WARRANTY PROVIDED BY A MANUFACTURER.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

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3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities, in accordance with the Supplier's Return Policy, which can be found at www.SHI.com/ReturnPolicy. Participating Entities reserve the right to inspect the Equipment and Products within 3 business days time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Partcipating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity subject to the Supplier's Return Policy.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

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Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities

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to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract. Participating Entities may be required to sign a separate agreement, rider, Ender User License Agreement ("EULA"), or Service Level Agreement as required by manufacturers to acknowledge terms of use for specific products and/or services. The Supplier will not become a party to terms between the manufacturer and the purchasing Participating Entity or end user of such products or services.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone

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agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;

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- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

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10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract upon thirty (30) days' advance notice to Supplier. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of the Supplier's negligence, willful misconduct, or violation of law, in the course of their performance of this Contract by the supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to under this Contract. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

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NEITHER PARTY WILL BE LIABLE FOR ANY SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL OR CONSEQUENTAL DAMAGES INCLUDING BUT NOT LIMITED TO LOSS OF OR DAMAGE TO DATA, LOSS OF ANTICIPATED REVENUE OR PROFITS, WORK STOPPAGE OR IMPAIRMENT OF OTHER ASSETS, WHETHER OR NOT FORSEEABLE AND WHETHER OR NOT A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

NEITHER PARTY'S TOTAL CUMULATIVE LIABILITY TO THE OTHER IN CONNECTION WITH THIS AGREEMENT WHETHER IN CONTRACT TORT OR OTHER THEORY WILL EXCEED THE TOTAL AMOUNT OF FEES ACTUALLY PAID OR PAYABLE BY SOURCEWELL TO VENDOR UNDER THIS AGREEMENT FOR THE YEAR PREVIOUS TO THE INCIDENT WHICH GAVE CAUSE FOR SUCH LIABILITY.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:

   a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.

   b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense*. The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

   a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

   b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with

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such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. *Termination*. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

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17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending*. Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, Sourcewell may terminate Contract as stated herein.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an “AM BEST” rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers’ Compensation and Employer’s Liability.*
Workers’ Compensation: As required by any applicable law or regulation.
Employer's Liability Insurance: must be provided in amounts not less than listed below:
Minimum limits:

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$500,000 each accident for bodily injury by accident
$500,000 policy limit for bodily injury by disease
$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:
$1,000,000 each occurrence Bodily Injury and Property Damage
$1,000,000 Personal and Advertising Injury
$2,000,000 aggregate for products liability-completed operations
$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:
$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
$2,000,000

5. *Professional/Technical, Errors and Omissions, and/or Miscellaneous Professional Liability*. During the term of this Contract, Supplier will maintain coverage for all claims the Supplier may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Supplier's professional services required under this Contract.

Minimum Limits:
$2,000,000 per claim or event
$2,000,000 – annual aggregate

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6. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:
$2,000,000 per occurrence
$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

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E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. EQUAL EMPLOYMENT OPPORTUNITY. Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-

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1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is

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hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and

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disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or

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liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

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Sourcewell

DocuSigned by:
By: Jeremy Schwartz
C0FD2A139D06489...

Jeremy Schwartz
Title: Chief Procurement Officer
Date: 3/20/2024 | 10:15 AM CDT

SHI International Corp.

DocuSigned by:
By: Kristina Mann
EA418E789F09404...

Kristina Mann
Title: Sr. Manager Contracts
Date: 3/20/2024 | 11:14 AM EDT

RFP 121923 - Technology Products and Services with Related Solutions

Vendor Details

Company Name:	SHI International Corp.
Does your company conduct business under any other name? If yes, please state:	New Jersey
Address:	290 Davidson Ave. Somerset, New Jersey 08873
Contact:	Tory Pubylski
Email:	victoria_pubylski@shi.com
Phone:	512-983-6502
Fax:	512-983-6502
HST#:	22-3009648

Submission Details

Created On:	Tuesday October 31, 2023 09:50:21
Submitted On:	Tuesday December 19, 2023 15:26:51
Submitted By:	Tory Pubylski
Email:	victoria_pubylski@shi.com
Transaction #:	bca2ca3b-8372-44f0-8925-989cf0fc15f1
Submitter's IP Address:	161.69.54.14

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	SHI International Corp.	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	SHI Canada ULC is a subsidiary. SHI Government Solutions is not a subsidiary but is affiliated through common ownership and will be an authorized reseller, if awarded, on the contract.	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	N/A	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	1HTF0	*
5	Proposer Physical Address:	290 Davidson Ave. Somerset, NJ 08873	*
6	Proposer website address (or addresses):	www.shi.com	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Maya Lynch Proposal Specialist 290 Davidson Ave. Somerset, NJ 08873 Maya_Lynch@shi.com 732-754-1554 Kristina Mann Sr. Manager Contracts 290 Davidson Ave. Somerset, NJ 08873 Kristina_Mann@shi.com 732-564-8536	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Victoria Pubylski Capture and Business Development Manager 290 Davidson Ave. Somerset, NJ 08873 Victoria_Pubylski@shi.com 512-983-6502	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Aimee Ballenger Sr. Director Contract Capture and Development 290 Davidson Ave. Somerset, NJ 08873 Aimee_Ballenger@shi.com 678-708-3906 Amelia Jakubczyk Director of SLED Contract Capture and Development 290 Davidson Ave. Somerset, NJ 08873 Amelia_Jakubczyk@shi.com 303-882-8012	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	

10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	SHI International Corp (SHI) started as a regional, software-only reseller in 1989. Co-founder Thai Lee has served as SHI's only President and CEO. Under her leadership, SHI has organically grown into one of the largest, privately held, global technology solutions providers in the world—while maintaining the agility and friendliness of a small business. Headquartered in Somerset, NJ, SHI is the largest woman and minority owned business in the United States with major operations centers in Austin, TX, Milton Keynes, UK, and a growing local presence around the world. SHI employs more than 6,000 employees split into strategic business units who uphold SHI's mission statement: "We are passionate about delivering exceptional value and experience as we help customers select, deploy, and manage technology." SHI's sales teams are allocated to support International, Global, Strategic, Commercial, Enterprise and Public Sector. Today, over 17,000 corporate, enterprise, government, and academic organizations rely on SHI to support their transformation, collaboration, security, and optimization needs. Few companies experience the longevity SHI has experienced. In fact, SHI's first customer is still with us today. From the beginning, SHI has focused on innovation, expanding our technology offerings, and professional services. Starting solely as a software reseller, SHI now offers full IT solutions, ranging from software and hardware to cloud migration and strategic planning. SHI has always brought leading edge technology to our customers: from bringing drop-shipping innovation to the IT channel in 1991 to delivering high-value consulting and professional services to help organizations achieve business agility. We work closely with the top manufacturers and participate in several advisory boards to ensure we are aware of new technologies and shifts in technology and that we are transferring that knowledge not only to our customers but also using it to influence how we run our business. There is a lot to consider when seeking a partner who can help address Sourcewell members' various technology needs. Ability and experience are vital elements in your decision, but you also want a company built on solid principles and values. That is why our business philosophy focuses on one key concept: Being helpful. * It is an easy claim to make, but at SHI, being helpful goes beyond a simple marketing strategy—it is a core consideration in everything we do. We continuously look for opportunities beyond the contract, including: • Coordinated expertise and insight to help you find success • Value-added support that exceeds established obligations • Targeted assistance addressing inefficiencies and obstacles, so you can focus on critical priorities To further demonstrate our commitment, we look toward SHI's core values, which drive our operations and promote a healthy, helpful business culture. We have listed our 10 core values below. With dedication to these values, as well as SHI's focus on remaining uniquely helpful, we can deliver on the trust you place in us. SHI Core Values: • Build a culture of diversity, equality, and inclusion • Be accountable and act with integrity • Seek understanding to support sincerely • Embrace change, collaborate and innovate • Show initiative and execute efficiently • Be resourceful and cost conscious • Adapt, persevere and succeed • Learn, grow and teach • Strive for wellness to achieve balance • Be bold, be fun, behave and be you Our goal is to foster a long-term, mutually beneficial relationships with our customers and partners, and we are committed to a collaborative process that is customer centered so that your members can make their IT solution purchases confidently. Through providing Sourcewell members with the latest technology, cost savings, technical expertise, and compliant procurement, we believe SHI is the ideal partner to support Sourcewell's contract requirements.
11	What are your company's expectations in the event of an award?	SHI is excited to continue our collaboration with Sourcewell and its members! We have had tremendous success growing the value of our first awarded contract and will continue our commitment to expanding the use of this contract, supporting Sourcewell's existing members and educating eligible contract users. Throughout our current contract, Sourcewell has been supported by a dedicated account management structure that has provided both Sourcewell and its members

with a supportive team of individuals, including dedicated Capture and Business Development Manager, Victoria Pubylski, Field Account Executives, Inside Account Executives, and sales leadership, as well as expert support from our technology specialists. Our dedicated sales teams are well-informed on how to use the Sourcewell contract and will continue to promote this contract to ensure both the Sourcewell Cooperative and its members benefit from our relationship.

Given that we are already familiar with Sourcewell and your members we expect there to be a seamless transition to a new awarded contract. We will maintain and grow our successful partnership with Sourcewell, beginning with our immediate actions upon award which include:

1. Supporting and advocating our Sourcewell partnership. Each team member from every Public Sector vertical supports our partnership with Sourcewell and will continue to advocate for the contract with passion and vigor. Our public sector sales force has successfully grown our Sourcewell contract year over year since our initial award in 2019, including an incredible 100 percent growth in the second full year of our contract. Given our position in the public sector market, our expanding sales force, and our passion for advocating the benefits of the Sourcewell contract to new customers, we are confident that we can continue to amplify Sourcewell's reach in terms of the number of distinct members who use this contract and revenue achieved.

2. Develop additional marketing materials and campaigns that articulate the value of the Sourcewell-SHI partnership. As an example, we will employ our Capture and Business Development Team, dedicated to the Public Sector Business Unit at SHI, to notify existing customers and continue to prospect new customers to detail our partnership.

3. Provide training and updates to our entire Public Sector sales and sales support staff about Sourcewell and its members. This training will include contract terms and methodology, pricing parameters, and the value that Sourcewell provides to its members.

4. Connect with current Sourcewell members and listen to members' needs and feedback. Our check-in will ensure that each member's dedicated Account Team is familiar with and accessible to them, in addition to educating members on our value. We will work with each member to understand their business preferences (specific information on a quote, reporting requirements, invoicing/billing requirements, and the like).

5. Finally, we will create a dedicated Sourcewell online catalog that displays the contracted pricing and contract page on our website that will include the Sourcewell awarded vendor logo, a copy of contract documents, a summary of products and pricing, marketing materials, and a link to Sourcewell's website.

We recognize why cooperative contract usage is rising and realize the value of having strategic partners in this space. SHI distinguishes itself from comparable organizations by choosing to partner closely with a select number of cooperative partners, ensuring we offer proactive support rather than stretching ourselves across countless partnerships. To bolster support for our larger contract users, and sales organization, we have established a Capture and Strategy team. This team is tasked with educating our customers and sales team about our available contracts and serving as a primary resource for significant contract holders like Sourcewell.

Your dedicated SHI Capture and Business Development Manager will regularly meet with the assigned Sourcewell Supplier Development Administrator to ensure contract success for both SHI and all Sourcewell customers. These meetings will include updates or changes impacting the contract, a review of contract highlights (like spending, new customers, and new vendors), discussion of any contract concerns, identification of areas for improvement, and sharing our strategies for promoting the contract. We aim to maintain open lines of communication throughout.

Our dedicated Contract Capture and Strategy team will join forces with the Public Sector leadership and sales teams directly to execute these steps.

Primary contacts for Sourcewell include:

1. Tory Pubylski
Capture & Business Development Manager
Victoria_Pubylski@shi.com

2. Amelia Jakubczyk
Director SLED Contract Capture and Development
Amelia_Jakubczyk@shi.com

		3. Aimee Ballenger Senior Director of Contract Capture and Development Aimee_Ballenger@shi.com If chosen to partner with Sourcewell, we'll bring fresh and innovative perspectives to your members and anticipate a seamless transition. We pledge to provide personal support for Sourcewell and your members, with devoted Capture and Strategy team members, taking the lead. We will remain flexible and agile in our approach to optimize Sourcewell members' contract user experience.	
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	With over 6,000 employees worldwide, SHI is proud to be the largest Woman/Minority owned business in North America. We maintain more than 30 global offices in North America, EMEA, and APAC. In addition to our global offices, our properties include an integration center, solution lab, and executive briefing center, which are located at our headquarters in New Jersey. In 2022, SHI reached $14 billion in revenue and set the stage for continued exponential growth. This growth stems from a laser focus on customer service, dedicated and tenured leadership, committed AEs (who live and work in the communities they serve), and a broad spectrum of customers and partners. Since SHI is a privately-owned company with no bank debt, we are nimble and able to reinvest in our business with integrity and in a way that aligns with our values and needs. SHI continues to invest in new infrastructure, most recently with a state-of-the-art data center integration center. We have also made significant investments in hiring more resources—the people with whom Sourcewell engages. Our financial strength and stability are predicated on our staunch affiliations within our communities—our relationships with customers, partners, OEMs, and our own SHI colleagues. SHI's Strengths: • Agile and adaptive business management • Diverse, predictable revenue sources • Strong customer and vendor partnerships • Steady industry growth Financial Stability: • Thirty-three consecutive years of growth • No long-term bank debt • Exemplary financials • Low overhead structure SHI's Dun & Bradstreet number is 61-142-9481 and we have a 5A3 rating. A copy of our most recent report is attached to this proposal. Additional details may be provided upon request.	*
13	What is your US market share for the solutions that you are proposing?	We offer our complete catalog of products and services to our customers. Providing a vendor-neutral approach to help customers find the right technology that meets every requirement of their IT environment, one of our greatest strengths is our ability to provide tremendous depth and breadth in choosing the ideal software, hardware, cloud, and other products and services. Based on the most recent data on the US IT budget, SHI's share is approximately 2.5% of the overall market. SHI Overall Product Mix • 60% would be considered software, subscriptions, and cloud-based sales. • 40% would be considered hardware, peripherals and accessories, including devices, servers, storage, and, networking. Market Share Indicators for Software SHI is considered the leading reseller partner for many top software publishers such as Microsoft, Adobe, and Trellix (McAfee). Estimating our revenue with these partners, as representative of their partner sales, we would put our share at approximately 20-25%. This would not include sales these software publishers conduct directly with the end customer. Market Share Indicators for Hardware Original Equipment Manufacturer (OEM) direct sales to the end customer typically represent a larger percentage of the business. As a result, our overall market share is lower, but SHI is one of the largest hardware resellers in North America.	*
14	What is your Canadian market share for the solutions that you are proposing?	The Canadian IT addressable market for resellers is approximately $100 billion. The largest partner in Canada owns 1%; SHI's share of the market is 0.25%.	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	In our 34-year history, SHI has never petitioned for bankruptcy protection. We are a privately held company and currently have no debt.	*

16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	SHI is an Information Technology Value-Added Reseller (VAR), which offers a complete solution to information technology by providing multi-vendor hardware and software along with other vital services. SHI has vast experience and established vendor partnerships that enable it to bring excellent value to Sourcewell and its members. With a diverse partner ecosystem that supports over 15,000 unique publishers and manufacturers, all the leading manufacturers include SHI as an authorized partner. SHI is authorized to sell hundreds to thousands of brands and products in the scope of this contract. We have included a sample list of authorizations in response to question number 81, and specific OEM or software publisher authorizations can be provided upon request. Our endeavors naturally resonate with Sourcewell's mission of serving as a 'force multiplier' for its members. This synchronicity is not merely coincidental but a testament to our shared values and common goals. Our expansive network of manufacturer relationships is a direct testament to this alignment. Yet, we understand to truly amplify our impact, we must cater to a diverse range of needs which is why we have forged partnerships with a considerable number of smaller distribution partners in addition to our long-term relationships with the larger distributors. This strategic approach not only diversifies our product and service offerings but also exponentially increases our capacity to deliver value. SHI has been dedicated to the Public Sector business for the last twenty years, creating solutions that are tailored to the specific needs of State, Local, and Education customers across North America. Therefore, Sourcewell can feel confident that its members will benefit from SHI's collaboration with each Sourcewell member to deliver solutions that are specific to their unique needs. SHI does not have a dealer network. All business will be supported directly through SHI's sales force in the U.S, SHI Canada in the north, SHI Government Solutions in the State of Texas.
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Among the thousands of licenses and certifications available within the IT industry, SHI holds a comprehensive number relevant to the scope of this Sourcewell contract. Our teams stay current with licenses and certifications; in most cases, we have the highest available certifications. We have included a representative sample of manufacturers and the number of certifications held, and specific certification details for individual publishers can be provided upon request. Acronis – 5 Certifications Adobe – 7 Certifications AirWatch – 2 Certifications APC - 12 Certifications Apple - 17 Certifications Arbor - 4 Certifications Aruba - 3 Certifications Avaya - 12 Certifications Blue Coast Systems - 3 Certifications Bluebeam – 7 Certifications Bomgar – 3 Certifications Business Objects – 11 Certifications CA – 34 Certifications Check Point – 12 Certifications Cisco – 44 Certifications Citrix – 88 Certifications Commvault – 67 Certifications Compellent – 5 Certifications CompTIA – 35 Certifications CradlePoint – 2 Certifications DataCore – 1 Certifications Dell/EMC – 136 Certifications D-Link- 4 Certifications Domino – 1 Certifications Emulex – 1 Certifications ESET – 3 Certifications Exin – 2 Certifications F5 – 8 Certifications HDS (Hitachi Data Systems) – 4 Certifications HP – 201 Certifications HPE – 327 Certifications IBM – 174 Certifications IBM hardware – 11 Certifications Imation/Nexsan – 4 Certifications ISC2 – 10 Certifications ITIL – 5 Certifications

		Ixia – 3 Certifications Juniper – 28 Certifications Ivanti - 10 Certifications Lenovo - 26 Certifications LogRhythm - 3 Certifications Mellanox - 2 Certifications Metastorm - 1 Certification Microsoft - 1090 Certifications Motorola - 8 Certifications NetApp - 26 Certifications NetIQ - 6 Certifications Nimble - 7 Certifications Novell - 11 Certifications Nutanix - 7 Certifications Oracle - 340 Certifications Other - 30 Certifications Polycom - 14 Certifications ProCurve - 6 Certifications Proofpoint - 3 Certifications Pure - 5 Certifications Qlogic - 5 Certifications Quantum - 2 Certifications Quest Software - 1 Certification Red Hat - 18 Certifications RSA - 33 Certifications SANS.ORG - 1 Certification ScriptLogic - 2 Certifications Security Horizon - 2 Certifications SimpliVity - 5 Certifications Sonicwall - 2 Certifications Splunk - 6 Certifications Sun Microsystems - 65 Certifications Symantec - 142 Certifications Tegile - 2 Certifications Trellix- 92 Certifications Trend Micro 5 Certifications Veeam 10 Certifications Vision Solutions 1 Certification VMware 30 Certifications Watchguard 1 Certification Websense 18 Certifications For additional certifications, please see the Technical Certifications document in the response portal.	
18	Provide all “Suspension or Debarment” information that has applied to your organization during the past ten years.	To the best of our knowledge, SHI has not been suspended or disbarred on any contracts like what is being requested by Sourcewell.	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
19	Describe any relevant industry awards or recognition that your company has received in the past five years	SHI is committed to providing world-class support to our clients. Awards and accolades validate the next-level partnership SHI brings to our clients in hardware, software, and services. Our partners, vendors, and clients have generously recognized SHI for its exceptional quality, service, and partnerships. SHI has been recognized as a top partner by OEMs such as Cisco, Dell, HP, Intel, and Microsoft, and as a leader in the industry by organizations such as CRN. Focusing on the employee experience, SHI is a top employer named by such organizations as Forbes and Austin American-Statesman. Our ESG efforts to assist customers in achieving their diversity and sustainability goals have earned awards from customers such as Verizon and Cushman & Wakefield and partners such as HP and Ingram Micro. For additional information about our awards and accolades, please visit SHI.com. 2023 Awards • Cohesity Global Cloud Services Partner of the Year • Forbes' America's Best Midsize Employers • HP US Personal Systems NSP of the Year • NetApp Cloud Partner of the Year • Oracle LAR of the Year, North America, Oracle Linux & Virtualization • SolarWinds North America Transform Partner of the Year	

- SolarWinds North America Breakthrough Award
- SolarWinds North America Excellence in Customer Retention
- SolarWinds North America Excellence in Subscription Sales
- Tenable Information & Systems Management Partner of the Year Awards
- Tenable North America - Top Overall State and Local Partner
- Trend Micro Enterprise Partner of the Year
- Veritas Top Growth National Business Partner
- VMware Partner Value Award for the Americas Region

2022 Awards
- Austin American-Statesman Top Workplaces
- BeF5 Partner of the Year
- Cisco Americas Security Partner of the Year
- Cisco Security Partner of the Year
- Citrix Partner of the Year – Large Account Provider
- CRN Tech Elite 250
- Cushman & Wakefield – Diverse Vendor of the Year
- EcoVadis Bronze Medal
- Fortinet North American Partner of the Year Award
- Fortinet Partner of the Year
- GoTo Resolve Pro
- Ingram ITAD Partner of the Year
- Juniper Partner of the Year - Americas Theater Overall
- Kong Americas Regional Partner of the Year
- Microsoft Surface Solutions Award
- Palo Alto Networks SASE Partner of the Year
- Pure Storage Americas Most New Customers Partner of the Year
- Rapid 7 North America Cloud Security Partner of the Year
- Rapid7 North America Partner of the Year
- SentinelOne Momentum Partner of the Year
- Symantec Partner of the Year - Identity Management
- Tanium Growth Partner of the Year
- Tenable North America Top Overall Partner & Top Overall State and Local Partner
- Trend Micro Enterprise Partner of the Year
- Varonis Growth Partner of the Year
- Verizon Partner Network Marketing Excellence Award
- Zoom US & Canada Reseller Partner Award

2021 Awards
- Cohesity Global SaaS Partner of the Year
- CRN UK Women in Channel Awards - Gender Parity Award
- Dell Partner of the Year
- Intel US Channel Partner of the Year
- Lantronix Strategic Edge Partner of the Year, North America
- Microsoft Digital Marketing Partner of the Year
- Microsoft North American Digital Marketing Partner of the Year - Strategic Device Reseller Award
- Microsoft North American Partner of the Year - Windows 10
- Microsoft Partner of the Year - Microsoft Surface Hub Reseller of the Year
- Microsoft Top Surface Hub Revenue YoY Growth - Reseller
- Microsoft US (MSUS) Partner Award in Modern Endpoint Management
- Microsoft US Surface Transformation Partner of the Year
- Rapid 7 North America Partner of the Year
- Thales Business Partner of the Year, North America
- Zoom US & Canada Partner of the Year
- Zoom US & Canada Reseller of the Year

2020 Awards
- Austin American-Statesman Top Workplaces
- Commercial Partner of the Year at Cisco Partner Summit Digital – Americas
- Cradlepoint Partner of the Year
- Forbes America's Best Employers For Women
- Fortinet Partner of the Year - US
- Intel US Channel Partner of the Year
- Intel US Partner of the Year - National - Innovation
- JetBrains Partner Awards - World65 bwide Surface Resiliency Partner of The Year
- Microsoft US Device Sales Growth Partner of the Year - Fiscal Year
- NJBIZ Top 25 Women-Owned Businesses
- Nutanix Trail Blazer Award
- Opengear – Elite Partner of the Year
- Panasonic - Rising Star Award
- Pure Storage Partner of the Year
- Samsung Installation of the Year – Mobility
- Tenable's Top Overall Partner of the Year in North America

		• Thales Business Partner of the Year, North America • Veeam Impact Partner Award – Impact Partner of the Year • Veritas Top National Business Partner Overall - Americas • Verizon Supplier Sustainability Award • Vertiv Growth Through Innovation Award 2019 Awards • Adobe Digital Media Worldwide Partner of the Year • Austin American-Statesman Top Workplaces • Cisco Central Commercial Partner of the Year • CRN's Managed Service Provider 500 - Elite 150 Category • Dell Technologies Transformational Partner of the Year • FireMon Ignite Partner Award — Growth Partner of the Year • Forbes Best Employers for Diversity • GMIS International Partner Award Diamond Level • Intel Partner of the Year for Marketing: Training for Results - Sales • Intel Partner of the Year for Vertical Solutions: Client Solution - National Solution Provider • Microsoft Partner of the Year Award (MSUS Awards): Modern Workplace, Modern Desktop Award • Microsoft US Surface Transformation Reseller of the Year • MSI Outstanding Channel Partner Award • Pure Storage Top Net New Logo Partner of the Year Award • Ranked 10th on CRN's Solution Provider 500 • SOPHOS Cloud Partner of the year • Zoom Partner Innovation Award	
20	What percentage of your sales are to the governmental sector in the past three years	In 2022, the Public Sector accounted for over $3.7 billion of SHI's $14 billion total company revenue. The percentage of company revenue in governmental sales earned over the past five years is: 2022: 18% 2021: 21% 2020: 20%	*
21	What percentage of your sales are to the education sector in the past three years	In 2022, the Public Sector accounted for over $3.7 billion of SHI's $14 billion total company revenue. The percentage of company revenue in education sales earned over the past five years is: 2022: 7% 2021: 9% 2020: 8%	*

22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	SHI manages hundreds of contracts for customers in the public sector space. We have provided sales for our top ten revenue contracts for the past three years. In addition to the information provided here, a full list of our contracts by state can be found at: https://www.shi.com/Contract/PSContract/ContractHome National Cooperative • 2020 - $433,524,175.00 • 2021 - $432,367,332.00 • 2022 - $474,912,261.00 National Cooperative • 2020 - $117,246,848.00 • 2021 - $242,276,114.00 • 2022 - $428,741,315.00 National Cooperative • 2020 - $119,276,838.00 • 2021 - $215,559,364.00 • 2022 - $297,216,161.00 National Cooperative • 2020 - $49,516,736.00 • 2021 - $98,356,960.00 • 2022 - $162,616,951.00 National Cooperative • 2020 - $109,667,754.00 • 2021 - $94,519,443.00 • 2022 - $66,158,438.00 National Cooperative • 2020 - $105,605,584.00 • 2021 - $106,272,231.00 • 2022 - $36,249,883.00 National Cooperative • 2020 - $51,110,983.00 • 2021 - $69,945,461.00 • 2022 - $117,824,104.00 State Contract • 2020 - $137,405,364.00 • 2021 - $79,536,085.00 • 2022 - $43,431,618.00 State Contract • 2020 - $79,162,748.00 • 2021 - $77,934,115.00 • 2022 - $54,871,606.00 State Contract • 2020 - $64,141,338.00 • 2021 - $63,818,564.00 • 2022 - $69,121,433.00	*
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	GSA • 2020 - $19,629,342.02 • 2021 - $13,876,322.68 • 2022 - $6,492,695.32 SHI does not have any SOSA agreements.	*

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
NJ Transit	Renzo Sosa, Director, IT Contracts	973-491-7612 rsosa@njtransit.com	*
University of Georgia	Ryan Dekle, Procurement Specialist	706-542-7113 deeks90@uga.edu	*
NY-Erie 1 BOCES, Western New York Regional Information Center (WNYRIC)	Julie A. Bray, Project Manager	716-923-6512 jbray@e1b.org	*
Fulton County, GA	Anne Wilson, IT Vendor Relationship Manager – Department of Technology	404-612-7294 Anne.Wilson@fultoncountyga.gov	
City of Little Rock, AR	Vitesh Patel, Procurement Manager - Finance Department	501-371-6838 vpatel@littlerock.gov	

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
Not Required	Government	New York - NY	All IT products and services	$8-$32.3M	$ 567,127,119.76	*
Not Required	Government	Louisiana - LA	All IT products and services	$4-$9.2M	$ 216,861,697.19	*
Not Required	Government	Missouri - MO	All IT products and services	$3-$17M	$ 152,833,261.14	*
Not Required	Government	Oregon - OR	All IT products and services	$12-$10.2M	$ 76,774,805.93	*
Not Required	Education	New Jersey - NJ	All IT products and services	$4-$1.5M	$ 36,539,525.56	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	SHI possesses not only the necessary capabilities but also the needed enthusiasm to cater to the needs of Sourcewell members from across the U.S. and Canada. Our ethos at SHI grows from our team members and they remain our greatest asset. Our sales force provides exceptional customer service and support to Sourcewell members. To remain successful for Sourcewell members, we will stay flexible in our approach and will engage with each member on an individual basis; we understand that one size does not fit all, and that philosophy is apparent in our sales structure. In terms of organization, we have retained a small business feel to remain agile for our customers. We operate successfully with minimal layers of management, and we empower our sales teams to make decisions that are in the best interest of their customers. Our Team Structure With a desire to meet the unique needs of our various public sector customers, we have structured our public sector business unit into four divisions, including: • Federal • State and Local Government • Education • Healthcare Sales Leadership SHI recognizes the value and agility that comes from working closely with your selected partner. That's why, to best support our customers, we have split our public	

sector into regions. We have over 250 salespeople who are focused on government, education, and healthcare. SHI's Senior Public Sector Sales Vice President oversees four regional Vice Presidents (VPs)—education west and east, and government west and east, who directly manage the District Managers and Account Executives in their territory. This allows for more flexibility and faster decision-making, so SHI can provide Sourcewell's members with a small business feel.

Public Sector Field Team
The Public Sector Field team supports state and local government, K-12, higher education, federal, and public healthcare entities across the country. Customers in the public sector are supported by an Account Executive (AE), who lives and works in the territory, and a dedicated inside sales team.

SHI provides a comprehensive customer support plan to ensure we are meeting each customer's needs. Our AEs are empowered to make decisions when it comes to customer support, and they have the autonomy to resolve issues as they arise. In addition, District Managers (DM) are engaged with the account teams to provide executive-level support and to meet with customers as needed.
Regular and transparent communication with customers helps us provide tailored support. AEs meet with the Sourcewell member contract users to review their business with SHI. During these review meetings, we discuss purchase history and the customer's future plans. With open discussions, SHI can provide significant value in supporting members' initiatives and will engage the support teams as needed to help meet their goals and objectives. *

Public Sector Inside Team
Our Public Sector Inside team focuses on supporting the needs of smaller local government, K-12, and higher education institutions nationwide and offers personalized attention regardless of organizational size. These customers often are overlooked by large resellers, though they have the same needs as their larger counterparts. Based at our global headquarters in Somerset, New Jersey, the Public Sector Inside team supports customers' needs from start to finish.

Canadian Public Sector Sales
With over 20 years of experience in the Canadian marketplace, SHI maintains several offices and a team of 20 people including directors, managers, field sellers, and sales support including field service executives who provide pre-sales support, solution architecting, and engineering across SHI's full portfolio.
Our Canadian Public Sector team supports Federal, Provincial, Municipal, Healthcare, Education, Agencies, Boards and Commissions. This sales team is comprised of one District Sales Manager with over 35 years of experience in the Public Sector, three Field Account Executives with up to 24 years of experience and one Business Development Manager with over 10 years of experience in Public Sector. This team is backed by Inside Account Managers who support day-to-day quote requests, returns, and general inquiries. We provide a comprehensive customer support plan to ensure we meet each members' needs as part of our presence in Canada.

We also have six Inside Account Executives who are phone-based sellers covering Canada to augment the field sellers.

And our Canadian presence is growing! We continue to look to expand our field sales presence in the Public Sector in the coming months.

27	Dealer network or other distribution methods.	To support Sourcewell members' need for reliable stock, we have an abundant and broad community of distributors and partners. We work loyally to maintain relationships with both our large IT distributors (Ingram Micro and TD SYNNEX) as well as smaller, local distributors and manufacturers directly. Regardless of where we source products, SHI always looks for opportunities to save our customers money. In addition to leveraging our partner relationships for savings at the vision and design phases, our sales teams review our distributors' stock to source products from the supplier with inventory in the closest proximity to the customer, at the lowest price. Most products are delivered within three to five business days of order placement. We have sourcing specialists on our procurement team who monitor purchase orders with our partner and distributor community to ensure that no savings have been missed. In many instances, our sourcing specialists can aggregate purchases for a specific partner or product across multiple transactions or even across multiple customers to realize a lower overall cost. SHI also maintains two integration centers/warehouses in Piscataway, NJ, which can securely store the Members' inventory for configuration and integration services. The combination of our warehouse/integration centers, as well as our relationships with our major distributors, allow us to provide efficient product delivery across the country. SHI's distribution model reduces time to market and decreases the overhead costs of maintaining additional warehouses, subsequently allowing us to offer our customers an aggressive pricing model. Our major distribution centers are located strategically in: • Fontana, CA • Los Angeles, CA • Ontario, CA • Miami, FL • Atlanta, GA • Suwanee, GA • Chicago, IL • South Bend, IN • Swedesboro, NJ • Jonestown, PA • Memphis, TN • Dallas, TX • Fort Worth, TX SHI receives electronic feeds from these major distributors as well as the top publishers/OEMs in the industry. We include advertised list price in our catalog and have based our discounts off this pricing.

28	Service force.	To anticipate the needs of our clients, we proactively invest in solution-based resources and capabilities that help our customers achieve their digital transformation goals. For example, we are adding practices around IOT and data analytics/machine learning. The requirements for effective IT have transformed. In response to this shift, and working from our customer-centered foundation, SHI developed solution-based support teams. These teams have common goals to identify a customer's needs, help them acquire the right technology, and facilitate the adoption of that technology in the customer's environment. SHI has technical expertise around our entire portfolio of services and products, ensuring we are prepared to meet all Sourcewell members' IT needs. Our services and support resources include: • Field Solutions Engineers: SHI employs a team of solution engineers with more technical expertise to collaborate directly with AEs and be the first point of contact for more in-depth technical discussions. • Advanced Solutions Group (ASG): This group has the agility and expertise to help design, build, test, and deploy hardware, cloud, and software solutions in synchrony with other support teams. They aim to help customers execute their mission and educate end users by getting the right technology to the right people at the right time. These teams are organized into the solution practice groups below: • End-User/UCC • Cloud Design, Adoption, Optimization and Management • Data Center Technologies – Server/Storage/Backup • Networking – Core, Edge, and Transport • Security Solutions • SHI Training: SHI's training team provides on-site, online, or on-demand technical, end-user, and professional development training, complementing our other services seamlessly. We offer the skills and knowledge our customers need to improve their adoption and consumption of technology and increase their return on investment. SHI offers full-service training to meet technology's growing demands. • Software and Hardware Partner Support Organizations: SHI has the largest team of hardware, software, and licensing specialists in the industry. Our award-winning team of licensing specialists has the expertise to manage the varied features of the publisher licensing programs and are available to help customers select licensing programs, execute agreements, and support the agreement lifecycle. SHI also has dedicated teams that support over 100 strategic and emerging technology partners to assist in evaluating hardware features, sourcing, and obtaining demos. Leveraging the expertise of our established, esteemed, and highly certified service and support teams, SHI aims to continue being a trusted advisor to your members. With our proven 'Select, Deploy, Manage' methodology, we pledge to maintain harmonious collaboration with Sourcewell members. We will oversee each project from inception through successful implementation to completion, identifying potential cost savings at every phase of the project lifecycle and continuing our ongoing contract. Professional Services Delivery SHI provides services in one of three ways: 1. SHI Delivered Services – our internal delivery resources are based in NJ and across the country. This team is comprised of over 600 technical experts who collectively hold 3,000 certifications for various products and solutions. 2. Partner Delivered Services – SHI can resell partner services. In this case, we rely on employees of that partner or contractors of that partner. 3. Service Partner Network – SHI maintains an Elite Partner network of service providers across the U.S. and Canada. These partners are vetted and managed carefully by SHI to ensure customer satisfaction and success. Currently, our Elite Network is comprised of 50 partners. Furthermore, we also collaborate with external Service Partners at a customer's request. Often, our customers have established relationships with local partners, and in these cases, SHI will eagerly join with that partner to provide services on contract. Our capability for services is extensive, and with resources across the country and Canada, SHI facilitates services in almost every IT Solution area.

29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	SHI International Corp., SHI Canada, and SHI Government Solutions will be responsible for handling all orders submitted by Sourcewell members. SHI also reserves the right to add additional fulfilment partners upon award of a contract in conjunction with Sourcewell member needs. SHI accepts orders via Purchase Order (PO) submitted via email or fax, phone orders may be placed with credit cards and orders can also be processed through shi.com by shopping directly through the catalog or completing a purchase by having an SHI quote published to your specific account. The web catalog will include all products available under the scope of the contract allowing members to acquire the most current products for their needs. Regardless of the method of submission (email, fax, web), the order is routed to your dedicated Inside Sales Team for validation and the management of the order process. Upon receipt, the Inside Account Manager (IAM) will review the order to ensure it is complete and can be processed. If the order is not valid for any reason, the IAM will contact the customer within 2-4 business hours to request any necessary information. If lower pricing is available, the IAM will inform the customer and pass the lower price on. In a case where a price has increased, SHI will honor the price if the order is placed within 30 days of the original quote. If the quote has expired, SHI will make a best effort to work with the manufacturer to honor the price. Your dedicated sales team will enter all valid orders on the same day they are received. An automatic order confirmation will be generated and sent to the end user listed on the purchase order, as well as any other contacts the customer has designated. We can customize the information on the order acknowledgment email and can include all information required by the customer. Once an order is entered, it is then directed to SHI's Procurement Department for processing. This team is then responsible for placing the order with the appropriate distributor or manufacturer. The orders are sent electronically and confirmed, and all orders are placed within 24 hours of being received. Should there be a change in the delivery time, the Procurement team will notify the sales team immediately. At that point, we will reach out to the end user to discuss options. Should a product not be available at the time of order placement, the Inside Account Manager will reach out to the contact who placed the PO and advise that contact on all the options available. No substitutions will be ordered unless we have express, written authorization to do so by the end user. We have the flexibility to bill upfront, in arrears, or on a payment plan depending on the requirements of each purchase. We will have these discussions before the quote process takes place and confirm again before we enter the purchase order. In this way, we will alleviate incorrect billings. In the rare case that something is incorrectly billed, the customer can reach out to their sales team, and they will work with our Accounting Department to resolve it. SHI can accommodate sending either hard copy invoices, electronic invoices, or both. Summary billing is also available. We will accommodate changes at any time. Invoices will be sent only after the products have been delivered. SHI has also worked with Sourcewell to set up a store on the new Buy Sourcewell online platform with punchout options for your members. This is yet another purchasing avenue for Sourcewell members.

30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	SHI provides a comprehensive customer support plan to ensure we are meeting each customer's needs. Customers are supported by a dedicated AE and a dedicated inside sales team. Field territories are structured vertically and geographically. Each AE is supported by a team of IAMs who maintain direct relationships with the customers. SHI's AEs are empowered to make decisions around the support of their customers, and they have the autonomy to resolve issues as they arise. Because our AEs ensure customer satisfaction, SHI can provide high-quality customer service and ensure efficient and effective response to questions and issues. In addition, the SHI regional directors are engaged with the account teams to provide executive-level support and to meet with customers as needed. SHI recognizes that effective communication is the cornerstone of customer service. Our dedicated account teams are committed to fully support their customers with accessible, courteous, responsive, and seamless customer service. Below we outline our standard procedures and response times: • Call answered in a timely manner: Sourcewell's calls are directed to your dedicated IAM. In the case your dedicated IAM is helping another customer, calls are directed to voicemail. If the customer has an urgent request, they can escalate their request to the inside sales team manager or AE for immediate assistance. • Email and voicemail response: All emails and voicemails are answered or returned within two to four business hours. • Quotes Turnaround: Quotes from the customer's standard catalog are fulfilled within eight business hours. For quotes requested for items which are third-party source/weird ware items, the IAMs reply to customer requests within two to four hours, confirming receipt of request and relaying to the customer they are working on their request and notifying them of additional time the request may take because of external factors—such as awaiting vendor response or additional required information from the customer. • Process orders within 24 hours of receipt (unless additional information is required). • Order entry accuracy: SHI accurately enters purchase orders into the system 98 percent of the time based on monthly data. • Provide daily updates on any pending requests. • DOA Devices: If an item is DOA, SHI works with the OEM to provide a working product within the OEM's DOA policies. • Order received to product shipment: The total turnaround from order receipt to shipment for 90 percent of all standard orders is 15 days. Should we expect a delay because of large quantity, complexity, product constraint, etc., SHI communicates the expected timeline with the end user who placed the order and follows up consistently until the product is delivered.	*

31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Aiming to best support the needs of over 50,000 members, Sourcewell seeks partnerships that deeply understand and are dedicated to serving these diverse groups. Members span various sectors, including state and local government, tribal government, public and private K-12 and Higher Education, public healthcare, and non-profit organizations. Each industry has unique IT needs, requiring an experienced and resourceful solutions provider. With its comprehensive capabilities and dedication, SHI stands ready and eager to serve each of these sectors by providing tailored IT solutions and consistent support. As the incumbent and current partner to Sourcewell and its members, SHI is passionate about this contract and is committed to developing impactful current and future IT solutions for each member. To achieve this, we will deliver the following: • A dedicated Capture and Business Development Manager who focuses on championing this contract internally with our SHI sales teams, joining calls with customers to answer questions about the contract, and connecting resources internally and with Sourcewell as needed. • Knowledgeable staff who have worked with Sourcewell and its members and understand the challenges you face, enabling you to facilitate a better buying vehicle for your members. • A global solutions provider with experience in the public sector who can accommodate a nationwide demand for products and services. • A dedicated partner who can provide consistent, comprehensive solutions, providing high quality, cost effectiveness, and reduction of risk. • A complete catalog of products and services with competitive pricing that supports members no matter where they are in their IT journey. With a dedicated team of sales, technical advisors, and contract specialists available to assist members throughout the nation, SHI is well positioned to be your value-added partner—supporting Sourcewell's vision "to empower community success." SHI is excited about the opportunity to continue working with Sourcewell and your members. Our current contract has been a huge success because of our ability to offer thousands of OEM's and hundreds of different service offerings to your members. Upon award SHI will continue providing the entire breadth of our catalog to your members across the United States.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	SHI will enthusiastically provide products and services to Sourcewell members in Canada. Our Canadian Public Sector team supports Federal, Provincial, Municipal, Healthcare, Education, Agencies, Boards and Commissions. This sales team is detailed more in response to question number 26. Working with the sales team, we have three in-country field solution engineers – one focuses on UCC, one on Data Center, and the other on Security. SHI currently employs four Microsoft Licensing Executives and one Cisco business development representative dedicated specifically to Canada. Our Canadian team uses partners where possible that are vetted through our services team to ensure they have the requisite capabilities to deliver tangible business outcomes to our customers. Our primary partnership is with Zanaris (https://www.zanaris.com/) and we are also developing a partnership with Jolera (https://www.jolera.com/). Beyond that, we will leverage our internal teams to deliver services like cloud cost optimization, architecture reviews, and rapid server migration. We also have a broad network of Canadian distribution partners from whom we source products including Ingram Canada, TD SYNNEX Canada, D&H Canada Climb Channel Solutions Canada, and Dell Canada Inc.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	SHI will fully serve and actively promote an awarded contract to all eligible members. With over 250 sales team members supporting across the US, including Hawaii and Alaska, SHI is positioned to serve all geographic areas of Sourcewell's proposed contract. Our mission is to instill a comprehensive understanding of the contract, terms, and conditions among our AEs in every region. This knowledge base will equip them with the ability to provide unparalleled support to Sourcewell members. SHI is poised to provide extensive training to educate your members across all geographic areas of a new contract.	*

34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	We commit to actively marketing and endorsing this contract, ensuring we increase visibility to all Sourcewell members without exception. We will serve all Sourcewell participating entities that our sales teams support.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	SHI does not have any contract restrictions for members in Hawaii, Alaska, or the US Territories. In fact, we have an Account Executive who lives in Alaska, Marla Thompson, who supports government customers. Pete Kim, who lives in California, is the field government Account Executive for Hawaii. All education customers in Alaska and Hawaii are supported by our Public Sector Inside Account Executives.	*

Table 7: Marketing Plan

Line Item	Question	Response *	

36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	We are thrilled by the opportunity to continue to promote and market our Sourcewell partnership. We know the vital importance of marketing contracts and reaching all eligible Sourcewell members, and we will apply our tangible, demonstrated experience supporting the unique requirements of procurement organizations to marketing and promoting this contract. Throughout our current contract, we have worked diligently to market the Sourcewell contract both internally and externally. The Sourcewell Capture & Business Development Manager, Tory Pubylski, recorded and posted several internal trainings for all sales teams selling on the Sourcewell contract and even recorded a sequence of video trainings with our Supplier Development Administrator in the Sourcewell studios as quick, digestible nuggets telling sales from both the Sourcewell and SHI perspectives how to market and explain the value of the Sourcewell Cooperative contract to customers. These short on-demand trainings covered the who, what, why, and when to break down the talk tracks that are helpful to sales and potential Sourcewell customers alike. Additionally, we had several sales teams attend Sourcewell in-person trainings across the country and our Supplier Development Administrator provided a series of regional webinars with our support to get the right attendees. During the term of the current contract, we also expanded our marketing team devoted to Public Sector. This team, led by our Director of Growth Marketing Programs, Rob Fass, has taken an innovative approach to expanding initiatives that are focused on public sector customers and the real IT obstacles they face. Through purposeful customer-directed emails about solutions specific to our customer base, social media and supporting our customer-facing events, this team is critical to our support of our customers. Our dedicated Contract Capture and Strategy team will join forces with the Public Sector leadership team and our Public Sector Marketing team, to create and execute our marketing plan. Upon award, we will execute the following steps to begin marketing the new contract: • Create contract announcement materials for electronic distribution to customers via email, on SHI.com, and the SHI Resource HUB blog, posts on LinkedIn and other social media. • Create co-branded marketing outlining the features of the new contract. • Design a dedicated website on shi.com including the Sourcewell awarded vendor logo, a copy of contract documents, a summary of products and pricing, marketing materials, a link to Sourcewell's website, and all relevant contact information. (to see the current page visit: https://go.info.shi.com/Sourcewell-Contract-Page.html) • Create internal sales training for new contract compliance, pricing, terms, etc. We will also welcome any opportunity to work with Sourcewell and AASA on advertise at their events or in their newsletters. SHI participates in hundreds of trade shows, conferences, and meetings across the country. Sourcewell has our commitment to participate at specified shows as well as additional opportunities to broadcast and promote our partnership. Specifically, SHI will attend, exhibit, and participate at the NIGP Annual Forum alongside Sourcewell suppliers. We are happy to assist Sourcewell in promoting and marketing this event and look forward to collaborating on a plan that will drive attendance. We also provide seminars and workshops to our public sector customers across the country and are eager to have Sourcewell members attend. Summits - SHI holds technology summits at our corporate headquarters in Somerset, NJ. Our most recent event was the Sustainability Summit. Centering the conversation around sustainability, the event reflected a heightened awareness of the importance of sustainability in the IT landscape and demonstrated SHI's proactive role in driving positive change within the industry. We emphasized how SHI can assist in improving the sustainability of customers' IT operations and how to make IT sustainability a critical part of their supply chain. Sourcewell members are welcome to attend these at no additional charge. Custom Events – The SHI Roadshow series of events was new this last year for SHI! We completed two traveling shows focused on Cybersecurity and Infrastructure in the Spring of 2023 at large event spaces around the country with solution partners and special guest speakers. These events were a roaring success, and we hope to see new headlines for these events again in 2024! We include sample marketing materials as part of the supplemental attachments in the response portal and will remain flexible and open to collaboration with Sourcewell upon an award. We provide more detail on our digital marketing media in response to question 37 below.
37	Describe your use of technology and	The digital age has profoundly changed the way we communicate by making it easier and

	digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	more instantaneous, but it has also created a flood of information which makes it that much more difficult for our customers to find trustworthy news sources for their technology information. So much content vies for our limited attention, between smartphones, messaging apps, email, and social media, we can connect and communicate with others from practically anywhere at any time. SHI provides a haven for customers to find reliable and relevant information about the latest trends, or threats, to their IT through the following digital mediums. Webinar Series Sourcewell and its members can access our regular schedule of webinars and workshops covering a variety of topics relevant to today's public sector customer – from grants and funding to modernizing your network and streamlining multivendor support for IT purchases - our finger is on the pulse of the real challenges facing our customers. Please check out our website for upcoming events and on-demand recordings: https://www.publicsector.shidirect.com/about/events SHI Resource Hub The SHI Resource HUB is home to eBooks and short news articles to keep our customers updated on the latest changes and trends impacting the IT industry. Displaying short news and informational articles, the HUB keeps our customers up to date on our services and support as well as on emerging trends in technology. Written by SHI's subject matter experts (SMEs) who leverage their knowledge and insight to speak to SHI's broad customer base, SHI is committed to keeping our customers informed. Customers can browse by IT category, recent articles, or popular posts. Please visit the SHI HUB website (blog.shi.com) for on-demand articles, eBooks, and podcasts. Social Media In addition to the SHI Resource Hub, SHI is active on social media applications and has dedicated public sector pages to help keep our public sector customers informed. Customers can get up-to-date information on demand by following SHI on X, LinkedIn, Instagram, Advocacy, and YouTube. Upon award of a new contract with Sourcewell, we will create an announcement for LinkedIn for SHI to share with customers and our partner community. We also have podcasts- "We've Got Your Mac" and "Innovation Heroes" are available wherever you listen to podcasts! You can also listen to them by visiting our SHI Resource HUB at blog.shi.com. SHI Sponsorships In addition to our digital marketing via the web and social media directly informing business and IT leaders of the products, services, and solutions we offer, SHI enhances our brand visibility through multi-year partnerships with select college and professional sports associations and brand ambassadors. In the past twelve months, SHI's brand ambassadors and sponsorships alone have generated over thirty billion brand impressions across: • Television and radio • Earned media • Website and e-mailings • Advertising and supporting collateral • Hospitality • Onsite signage Many of these impressions come from SHI's partnership with the Rutgers University Athletic Department. Playing in the NCAA's prestigious (and national) Big Ten conference, the Scarlet Knights football team, and men's and women's lacrosse teams all play in the 52,000-seat SHI Stadium, located five miles from SHI's World Headquarters. With over five hundred of SHI's 2,000 New Jersey-based employees being Rutgers graduates, the alliance between Rutgers and SHI is long-lasting, making this partnership much more than just a marketing sponsorship. As the largest minority woman-owned business in the United States, SHI is proud to be represented by Ladies Professional Golf Association's (LPGA) golfers Allisen Corpuz and Annie Park, and the US Women's National Team/NC Courage Goalkeeper Casey Murphy, who serve as SHI brand ambassadors. All three professional female athletes are also small business owners. SHI's logo appears regularly across the LPGA's digital marketing platforms and onsite event branding and was most visible when Allisen won the first-ever U.S. Women's Open played at Pebble Beach. Allisen's position in the final pairings ensured the SHI logo on her shirt was proudly visible to a live national TV audience for the entire weekend tournament. When she is not busy representing the United States in the World Cup in 2023 (and likely the Paris Summer Olympics in 2024), USWNT goalkeeper Casey Murphy is the face	*

		of SHI's cybersecurity practice. By partnering with Murphy in support of her Casey Murphy Goalkeeper Academies, SHI is able to help Casey inspire young soccer players to take ownership of their own development and build confidence through hands-on instruction from Casey and her crew of teammates and coaches. E-Newsletters SHI creates various informative, monthly newsletters containing information regarding important contract dates, product releases or changes, Q&A, and upcoming events. Thousands of our customers currently receive these newsletters, and we will continue to make them available as a subscription to anyone who is interested. SHI also creates hundreds of marketing texts for our major manufacturer partners and SHI core services offerings, which are shared with customers through in-person meetings, trade shows, and email.	
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	SHI has first-hand experience with the tremendous value that Sourcewell brings to its contract partners. We are thrilled to continue building on our relationship with Sourcewell under a new contract award. We view Sourcewell's role in the promotion of the contract to include: • A dedicated SHI contract landing page on Sourcewell's website. • Continued partnership in creating training for our sales teams. • Regular and open communication with SHI on our performance and ongoings at Sourcewell. • A dedicated Supplier Development Administrator we can contact for questions and assistance. • Collaborative marketing efforts. • Sharing in-person Sourcewell training information so our sales teams can participate. Sourcewell is already a well-known entity within the public sector sales team at SHI. We commit to actively marketing and endorsing this contract, educating our Account Executives on the specifics of this contract with an aim to increase visibility to all Sourcewell members. Our continued concentrated efforts and unparalleled dedication to Sourcewell's will be evident.	*

39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	SHI.com, SHI's procurement platform, provides an efficient and intuitive way to access and procure a customized catalog of products, and its business-to-business functionality includes innovative custom catalog capabilities that provide personalized views of product information, enabling Sourcewell members to find and compare products, to view key metrics (like frequently viewed products and contract or standard items), and to simplify purchasing. With thousands of manufacturers represented, product catalogs are fully customized to reflect contracted pricing available through SHI, as well as special pricing programs for which members are eligible, such as licensing programs or other volume programs. SHI's open architecture systems allow us to integrate with virtually any eCommerce platform through market leaders or a proprietary solution. The most common applications we support include Ariba, Perfect Commerce, PeopleSoft, SAP, and Oracle. In general, SHI supports systems that use cXML (commerce extensible mark-up language), or EDI (electronic data interchange) standards. In addition, we support the following Punch-out types: • Ariba • Basware/Verian ProcureIT • Birchstreet Systems • Coupa / Coupa Advantage • DSSI • ePlus Procure+ • GEP • GHX (Global Healthcare Exchange) • Hubwoo • IDS • IOS Corp • iPayables • Ivanti • Jaggaer (formerly SciQuest) • Lawson • Oracle / Oracle Supplier Network • Payback • PeopleSoft Direct Connect • Perfect Commerce • Periscope • Procurement Partners • Quoteworks • ReactorNet • Remedy • SAP OCI Roundtrip • ServiceNow • SPS Commerce • Supplier Solutions • Transcepta • True Commerce • Tungsten • Unimarket • Valua • WorkDay • Yardi • Zycus Our e-commerce specialists can provide training to Sourcewell members authorized to access their customized site, and we will schedule trainings based on the customer's level of access to the site, collaborating with individual members to determine a program and schedule that works best for their purchasing environment. Some of the most remarkable ways in which governmental and educational customers have used –and benefitted from – our eProcurement system is through our software procurement consulting services, our license tracking and reporting capabilities, and our robust Software Asset Management (SAM) tools. Our tracking abilities relieve our customers of the burden of managing their purchases. We understand that without the processes and checks and balances that we have in place, the opportunity for error in tracking license purchases is tremendous. SHI's license tracking system and workflow are automated to enforce purchasing rules and minimize errors.	*

Table 8: Value-Added Attributes

Line Item	Question	Response *	
40	Describe any product, equipment, maintenance, or operator training	SHI offers training and adoption services, including professional development training, to help our customers maximize the value of their technology investments. Our Training and	

	programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Adoption team takes a holistic training approach, ensuring both IT staff and end users are accounted for. While all steps may not be necessary for each customer scenario, a full training project would typically encompass the following components: • Identify current state and future state requirements with key stakeholders. • Identify change management and communication strategy. • Define the use case. • Identify locations and languages. • Assess gaps and needs for IT and end-users. • Develop scope. • Customize content. • Align training with the deployment schedule. • Launch training pilot. • Live instructor-led training • Power-user training • OnDemand eLearning portal • Application deep dive training • Deskside training support • VIP one-on-one training End-User Training SHI has a multitude of options to meet our customers' training needs. Our certified instructors are enthusiastic about bringing real-world experience to the customer's learning environment. Curriculums may be standard or tailored to the agency, department, or job role to yield a higher return on investment. Customizations can include utilizing the customer's environment, business processes, local language and more. We offer training on-site, online, on-demand, or a blend of these options. Some of our most popular offerings for end-user training are: • M365 • Windows 10/11 • Microsoft Teams • Microsoft Core Apps • WebEx • Google Apps • Security Awareness Technical Training With our manufacturer-certified experts, customers can access dozens of custom on-site, online, and on-demand technical training courses geared toward our customers' organizational programs and software needs. We can support technical training for a variety of manufacturers, which include, but is not limited to: • Amazon • Cisco • Google • Microsoft • VMware • Palo Alto • Meraki • Nutanix • Veeam Professional Development for Business In today's competitive environment for hiring and maintaining quality employees, comprehensive and sound professional development is a necessity. SHI offers dozens of on-site, online, and on-demand professional development classes help employees grow and perform at their best. Topics include, but are not limited to: • Business Analysis • Communication • Leadership • Project Management • Agile • ITIL Professional Development for Educators SHI offers Professional Development for Educators. Our professional learning teams offer trainings on-site, online or on-demand through a subscription model on topics that include, but are not limited to: • Software training for IT staff, faculty, and staff • Hybrid teaching methods • Blended learning • STEM • STEAM • Esports • Pedagogy • SEL (Social and Emotional Learning) • Accelerated Learning Recovery • DEI (Diversity, Equity, and Inclusion)	*	

		• First-Year Teacher Bundle Custom eLearning Development SHI works with customers to develop custom, powerful, engaging, learner-focused eLearning courses and curriculum that meet training goals and deliver measurable results. Our custom development includes, but is not limited to: • Standard eLearning course(s) • An entire eLearning curriculum • Micro Learning • Gamified eLearning Please feel free to explore more details and options at https://www.shi.com/solutions/training	
41	Describe any technological advances that your proposed products or services offer.	Our team of experts offer various technological services that can help enhance and advance the use of technology for members. This could range from optimizing existing systems to implementing new, advanced technologies, providing consulting services, or even offering training programs like security awareness training. Articulated below are just a few offerings: Customer Innovation Center (CIC) SHI helps with the technical evaluation of products to empower you to make the best choices and scope each project appropriately. Evaluation may include full proof of concepts or simply obtaining evaluation units. You can test and compare IT solutions in our Customer Innovation Center (CIC) before committing to an investment. The CIC is staffed with trained team members and technical professionals who are experts on both products and solutions. As technology advances and changes, the technologies in the SHI CIC follow, ensuring that we always have the products and relevant technologies that our customers are interested in. The CIC can provide on-demand and remote access to the kinds of technical advisory and real-world wisdom that you are looking for. Our goal is to help you identify, adopt, and implement the right technology investments quickly, with lower costs and risks. Now you can experience everything the CIC has to offer from wherever you are by virtue of an interactive virtual tour! How to use the Virtual Tour: Click here for a quick tutorial about the tools and features of the virtual tour so you can get the most from your experience. SHI Complete The SHI Complete service provides customers with a turnkey solution for modernizing their IT Infrastructure, enabling a remote workforce, enforcing security best practices, and leveraging SHI's Managed Service capabilities to centralize IT Service and Support. SHI Complete can ensure you have the right IT operating model and a strong governance plan around security, services, and management that is structured to meet your business goals. Combining a curated stack of integrated technologies across device management, security, networking, collaboration, and cloud platforms, SHI Complete helps customers establish a secure, resilient, and scalable IT foundation. Onboarding Service SHI Complete employs a personalized approach with respect to managed services to ensure our customers obtain the solution that best fits their business needs and primes them for growth in a Cloud First technology ecosystem. The onboarding services component of our solution includes: • Assessment of the customer IT ecosystem and IT business objectives. • Site Surveys of physical locations, network mapping, and application use cases, as needed. • Creation of a Zero Touch device deployment capability. • Development of the IT modernization strategy and customer onboarding plan. • Design of the Managed Network Services and cloud environments on client premises. When onboarding is complete, SHI's technical account managers, project managers, and certified engineers use this plan to implement and migrate customers to the new SHI Complete managed IT environment with ongoing support and knowledge transfer throughout the processes and procedures. Managed Services Managed services are the foundation of the SHI Complete solution. Customer subscription to the SHI Complete service provides many benefits that are core to the customer's success, including: • Designated technical account manager assigned to your organization. • Access to our SHI One customer portal for reporting and service requests. • Net payment terms provided (upon credit approval) through SHI. • IT service desk support for users and devices. • Client user onboarding/offboarding and IT asset reclamation. • Cloud application management and support.	*

		• On-site and cloud network service management. • Security management and best practices. • Access to a wide array of optional fee-based public cloud professionals and managed services. • Escalations to SHI subject matter experts (SMEs) through SHI's world-class service desk support team. SHI will collect and track feedback from customers during regularly scheduled meetings as well as through end-user feedback. Taking this information, SHI will make modifications to its contracted services where possible to further improve service quality over the life of the contract. SHI One Management Platform The SHI One Management Platform is a portal for customers to manage both cloud and IT services purchased through SHI. Customers have a centralized place to track and manage their public clouds, allowing them to spend less time struggling with reports, management, and support and more time on strategic initiatives to drive their business forward. With this portal, customers can manage their cloud platforms (Azure, AWS, GCP). They can easily view the state of their IT landscape and streamline their cloud environment management. Customers have access to support cloud cost, usage, billing, invoicing, and consumption of support cloud accounts. Leading Industry Technologies SHI maintains an ongoing dialogue with industry authorities such as Gartner and IDC through quarterly meetings, ensuring we stay current on the latest and best technologies. We have established strong partnerships with each OEM, allowing us to introduce new products as soon as they become available. This gives members the unique opportunity to pre-order new products yet to be released through SHI, ensuring they receive them as soon as they hit the market. Our devoted solutions team and product specialists stay up to date with the latest technologies and will promptly notify members about the newest products available. The expertise of SHI's OEM support teams, technical resources, and strong relationships with manufacturers are leveraged to guide members as they explore emerging technologies and innovative new solutions.	

42	Describe any “green” initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	SHI is dedicated to environmental sustainability and recognizes its role in affecting the environment. We continually strive to minimize any negative impact from our operations while ensuring the safety and well-being of our staff. Our business strategy heavily emphasizes environmental preservation and the promotion of a sustainable future. By implementing eco-friendly initiatives, both internally and with our partners, we aim to reduce yearly technology waste and contribute more significantly to a greener planet. In 2023, we pledged to the Science Based Targets initiative (SBTi) to reach our corporate Net Zero Emission goal by 2050. At SHI, we believe that sustainable operations and exceptional customer service are intrinsically linked. Through close collaboration with our partners, we strive to excel in both areas. We work with our partners to create and implement environmentally responsible solutions. As a prominent player in the IT industry, we actively participate in partner programs and initiatives, providing input and helping shape future sustainability strategies to guide the industry towards more responsible practices. This cooperative approach guarantees that we focus on not only our own growth but also the success of our partners. Through these efforts, SHI assists our customers' Environmental Social Governance (ESG) initiatives by aligning with sustainable solutions such as IT asset disposition (asset recovery and disposal, E-waste recycling, hardware redeployment and remarketing), IT asset management, green financing, and using cloud and data center solutions to lessen carbon emissions from physical IT infrastructure. SHI is committed to sustainability at corporate, cultural, and policy levels and holds itself accountable for being initiative-taking and solution-oriented to promote sustainable long-term growth. By setting and implementing global environmental policies, management systems, and key performance metrics, SHI consistently integrates and promotes environmental stewardship across its global business groups, ensuring consistency and innovative environmental thinking. Our commitments include: • Setting targets and action plans to support our United Nations Global Compact (SDG 13 Climate Action) and SBTi commitment, and continually refining our practices. • Preferring partners who have implemented sustainable and ethical practices within their organizations and influence such practices in their supply chains. • Enhancing our sustainable procurement team's support, which concentrates on supporting diverse and minority suppliers. SHI seeks to be energy efficient utilizing these methods: • Monitor power consumption. • Disclose to the Carbon Disclosure Project (CDP) and EcoVadis annually. • Utilizing advanced energy-saving systems such as: o High-efficiency HVAC equipment o Energy Star equipment/appliances o Energy recovery from building relief/exhaust air, demand control ventilation sequences for energy savings on ventilation (Austin). o Automatic lighting controls and LED lighting throughout (Austin). o Occupancy sensor control of lighting fixtures. o Water-efficient and low-flow plumbing. o Solar panels and electric vehicle charging stations. • SHI has EV charging stations located at our global headquarters, Ridge Integration Center in New Jersey, and our Austin Regional Headquarters in Texas • LEED Gold Certified • Austin Regional Headquarters – Building Design and Construction (2021) • Global Headquarters - Commercial Interiors (2013) To support our goals and reduce power consumption, SHI made significant green investments in our facilities by installing solar panels. Today, over 7,000 solar panels are installed at four SHI-owned facilities, including our global headquarters and Integration Center in New Jersey, and our Austin Regional Headquarters in Texas. The addition of solar panels has helped SHI avoid 5,287,000 pounds of carbon dioxide since the system's installation and avoided 13,771 lb. of sulfur dioxide and 5,425 lb. of nitrogen dioxide since installation. With sustainability and ESG at the forefront of current initiatives, we hosted the SHI Sustainability Summit event this summer at our headquarters location in NJ. The event reflected a heightened awareness of the importance of sustainability in the IT landscape and demonstrated SHI's forward-looking role in driving positive change within the industry. We emphasized how SHI can assist in improving the sustainability of customers' IT operations and how to make IT sustainability a critical part of their supply chain.	*
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	As a reseller, SHI does not receive labels specifically for products; however SHI will be happy to work with Sourcewell and product manufacturers to identify any specific eco-labels on products Sourcewell members wish to purchase.	*

44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	We are the largest privately Minority/Woman Owned Business Enterprise (MWBE) in the U.S. and our certification as an MWBE offers a critical value-add to customers whose strategic business objectives include supplier diversity and development. In addition, SHI's Diversity Business Development Initiative builds and sustains a community of diverse suppliers and partners who best serve the needs of our customers. As a large MWBE, we continue to grow an effective Direct and Indirect Tier II program by accessing our Diversity Vendor database and using certified minority vendors in all diversity categories which includes, MBE, WBE, M/WBE, LGBT, SBE, SDB, HUBZONE, DVBE, VBE, and WOSB. SHI also maintains its internal supplier diversity program and seeks to engage MBE and WBE suppliers to meet product requirements and operational needs. SHI Certifications WBE • WBENC MBE • NMSDC - Corporate Plus Member • NMBC - National Minority Business Council • CAMSC (Canada) MWBE • Supplier Clearing House (California Public Utilities Commission) SHI also has MWBE certifications with the following state governments: • Delaware • Massachusetts • Missouri • New Jersey • New York City • North Carolina (HUB) • City of Philadelphia (PA) • Prince George County (MD) • Tennessee • Virginia (SWaM) • Wisconsin SHI Government Solutions • State of Texas Certified HUB Vendor
45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	We understand that Sourcewell needs to identify a trusted partner based on how that partner's capabilities can best support your participating entities' IT needs. We believe we are uniquely qualified to continue supporting Sourcewell and its members due to several key factors: our standing history with supporting this contract, our breadth of offerings, and our ability to evolve with the ever-changing technology market. Our dedication to this contract sets us apart from our competitors. Victoria Pubylski, Sourcewell's dedicated Capture and Business Development Manager, has worked tirelessly alongside our Capture and Strategy team to support Sourcewell and its members. They are experts at supporting contracts, and have trained our Account Executives on this contract, proactively managed our Sourcewell relationship, and have grown this contract continuously year over year since our award in 2019. We have had tremendous success growing the value of our first awarded contract. We will continue our commitment to expanding the use of this contract and supporting Sourcewell members with the latest technology, cost savings, technical expertise, and compliant procurement. Complete IT Solutions Our ability to offer customers a tremendous range of options in choosing software, hardware, and other products is one of our greatest strengths. Our diverse partner ecosystem of 15,000+ unique publishers and manufacturers gives us a vendor-neutral approach to help customers find the right technology solution. We provide custom technology solutions for every aspect of your members' IT environment: from software and hardware procurement to deployment planning, configuration, data center optimization, mobility services, IT asset management, and training. We also offer next-generation cloud solutions to help customers accelerate to the cloud in the fastest, most secure, reliable, and cost-effective ways possible. Compared to our competitors, we also have the distinct ability to onboard boutique vendors for end-user longtail products. Many of our competitors are only able to onboard certain, larger partners, whereas SHI can bring on smaller vendors that are uniquely qualified to meet the individual needs of our customers. We also offer a wide range of services and support directly or by leveraging our elite partner network's expertise. SHI seeks to build valued relationships with your members; aligning our focus with your mission and deliver innovative solutions that empower community success. Value Add Services SHI offers a wide range of value-added services to help our customers get the most value

out of their software spend. Many of these services are available to our customers at no cost, and for customers who wish to take advantage of enhanced service levels, we do offer fee-based services as well. Due to our breadth of service offerings, and our desire to evolve along with our customers' changing needs, this is not a comprehensive list, but rather a snapshot of available value-added services.

Software Expertise and Advice
Customers have a dedicated, experienced account team with access to a broad range of resources. We provide expertise and advice to help them make the right decisions to save money and achieve the best value for their software spend.

Technical Advisement
Customers can depend on a vendor-neutral approach to help them find the right technology and then access a tremendous range in choosing the ideal products and services for their unique needs.

Pre-Sales Licensing Support
Customers have SHI software licensing team support for their licensing needs. Pre-sales support helps ensure customers maximize the benefits of their volume license agreements. Throughout the contract term, we partner with our customers to track licenses, provide detailed reporting, and proactively assist with budgets, renewals, and compliance. We leverage the reporting and our PRO Renewal tool to help customers gain insights into their software purchases.

Contract Education
Software options can be complex and overwhelming, and available products and buying alternatives change frequently. SHI offers initial and ongoing training and communications to help customers use the contract effectively and make smart choices for their software spend. *

Negotiation Assistance
SHI's top-tier status with our publisher partners gives us a strong voice in the industry, and our extensive experience gives us keen insight into the range of available software options for customers across the country. We leverage these strengths to help our customers negotiate favorable pricing and terms.

Fine Print
SHI Fine Print is a contract management and indexing system that allows our customers to review a set of publicly available EULAs on our website. Fine Print organizes agreements by separating contract text into standardized clause types, identifies which terms apply to various products and use cases, and then organizes the data into an easy-to-find format.

Software Solutions Services
Our Solutions team helps customers identify the right software tools and technology, and then (if desired) executes the implementation of in-scope services to help accelerate their time to productivity and value. Depending on the scope of the implementation there may be fee-based services involved.

ITAM Services
To help customers manage the complex task of finding, tracking, and managing the hardware and software across their IT environment, SHI offers a range of highly cost-effective IT asset management services to help you weed out unwanted costs, while also improving utilization and governance. Depending on the scope of the implementation there may be fee-based services involved.

Training Services
Adoption of new technology does not happen automatically. There is a people component to change. SHI offers a range of customizable technical, end-user, and professional development training resources to equip users with the skills and information they need to drive increased adoption and employee satisfaction. Depending on the scope of the program, there may be fee-based services involved.

Financial Stability
As a privately owned company with zero debt, we continue to reinvest in ourselves year after year to innovate new and improved client solutions for tomorrow's IT challenges. SHI continues to invest in new infrastructure, most recently with a state-of-the-art data center integration center. As the technology market continues to evolve, we can evolve our capabilities and resources right alongside it.

We have also made significant investments in hiring more resources—the people with whom Sourcewell and its members engage. SHI Account Executives (AEs) support their clients locally from over thirty offices throughout the U.S. and Canada, and our AEs work and live in the communities they serve, fostering long-term, mutually beneficial relationships with customers and partners every single day.

Our financial strength and stability are predicated on our staunch affiliations within our

		communities—our relationships with customers, partners, OEMs, and our own SHI colleagues. SHI's Strengths and Stability: • Agile and adaptive business management • Diverse, predictable revenue sources • Strong customer and vendor partnerships • Steady industry growth • Thirty-three consecutive years of growth • No long-term bank debt • Exemplary financials, low overhead structure SHI is uniquely qualified to support Sourcewell's mission to build valued relationships and innovative solutions with integrity and to exceed the expectations of its members. In fact, we share a similar vision and mission and strive with purpose and determination to provide exceptional value and experience as we help customers select, deploy, and manage their technology.	

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	SHI offers all available original manufacturer warranties. The OEM covers all hardware, parts, labor, and accidental damage. In addition to OEM warranties, SHI, offers third-party warranty services plans for most OEMs on a limited, approved basis. These warranty services plans cover all hardware, parts, labor, accidental damage protection and power surge for end user-related devices. For post-warranty data center related devices, third-party warranty services cover all hardware, parts, labor, and onsite travel expenses. Third-Party Disclaimer – By including the third-party warranty service contract, SHI, is only acting only as an authorized reseller in the third-party's provider route to market for its warranty service contracts. Customers will receive contracts that provided by the third-party provider, not SHI. The warranty service contracts will be entered into directly and only between the customer and third-party provider, and SHI will not be a party to those contracts.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	SHI offers all available original manufacturer warranties. Some OEM warranties will limit the number of claims, charge a deductible or limit coverage. SHI can provide additional detail on specific manufacturers as needed. Third-Party warranty services offer unlimited claims (during the contract term), no deductibles or hidden fees, and accidental damage protection against drops, spills, etc. Water submersion is not supported. These apply to end-user related devices. For post warranty data center hardware maintenance support, all hardware, parts, labor, and travel expenses are covered.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	For OEM warranties, this will vary based on the warranty purchased and SHI can provide these details with specific OEM's. Third-Party warranty services offer various levels of service. If onsite repair is selected, this service covers all expenses.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	The standard OEM warranty would still apply to purchases made in Canada. If a customer has a warranty question on specific products SHI will help connect them to the OEM. Third-party warranty services for end-user devices are only supported within the US. Post-warranty services for data center related devices are supported globally.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Typically warranty services from an OEM will not cover items from other manufacturers. Third-party warranty services are vendor agnostic and support most Tier 1 OEMs.	*

51	What are your proposed exchange and return programs and policies?	SHI's return policy is customer-centered—we will always do our best to accommodate returns for any unopened box up to 30 days after receipt. Rarely, a customer might receive an incorrect, damaged, or non-working (DOA) product; if a product issue occurs, SHI accepts return of that product within 30 days, with no restocking fees, regardless of the package being opened. After 30 days of receipt, SHI will still make a best-faith effort to accommodate a return. Occasionally, the product manufacturer has a "no returns" policy; in these cases, we notify customers at the time of quote to ensure transparency and confidence in purchase. In these specific instances, SHI is unable to accommodate returns. Our return process is simple: To request a return, first contact your dedicated sales team, via email, phone, or through the "Request Return Authorization Number" section on the SHI.com website. Your Inside Account Manager will then provide you with a return authorization (RMA) number, along with a shipping label. With the RMA number clearly included on the shipping label, the customer ships their return to SHI, and we process the return. In certain cases, to expedite a return, SHI will have the return product picked up directly. Once the return has been fully processed, SHI will credit the customer's invoice. In addition, we send out replacement orders prior to receiving returns to expedite the process for the customer. Occasionally, software publishers may require a customer to fill out a Letter of Destruction. In these cases, SHI provides a letter to customer, who signs and returns it to us. To help simplify and expedite the process, SHI takes care of the rest—processing the Letter of Destruction directly with the software publisher. At any point, if customers encounter issues with their products, the SHI account team is accessible and eager to help. More information and details about SHI's Return policy can be found at https://www.shi.com/Terms/Return-Policy.	*

52	Describe any service contract options for the items included in your proposal.	SHI will pass on any included Manufacturer warranties at the time of purchase. In addition, we will educate the end-user on all available extended warranty, maintenance, and service programs at the time of quote. Should the customer have the need to use the warranty SHI can facilitate the interaction between the customer and the OEM. We will gladly provide any contact information or assist in escalating with the OEM when necessary. In addition, SHI can provide third-party warranty options outside of what is available from the original manufacturer for a separate fee. We offer several options to support original manufacturer warranties. These standard warranties typically offer limited, short-term coverage and can result in unexpected downtime and expensive repairs. Third-party enterprise warranty services will extend the life of members' technology investments and keep their systems – and their business – running at peak performance. The benefits of Third-Party Enterprise Warranties include: • Coverage up to 5 years for net new end-user devices. • 24/7 technical support for post-warranty data center devices. • U.S.-based call center • Global support capabilities, data center related devices only. • 100% coverage for commercial use, parts, labor, and accidental damage; unlimited claims (during contract). • $0 deductible. In addition, SHI third-party warranty services provide comprehensive, flexible coverage for Product Protection that goes beyond a manufacturer's limited warranty and that provides: • 100% coverage on parts and labor, normal wear and tear, and power surges. • "No Lemon" guarantee. • Replacement for products that are beyond repair. • No deductibles, hidden fees, or surprise charges. • Commercial use & Vendor Agnostic. Members' Third-Party Coverage can begin on the date of purchase or after the manufacturer warranty expires, and coverage is not affected by what the limited manufacturer warranty offers. Third-party warranty services alleviate multi-year budgeting constraints and deliver service when and where members need it! Included in Product Protection Services in basic triage and remote diagnosis, 24-hour advanced exchange, depot service, and three-way shipping. As an additional benefit, third-party warranties protect against accidental damage, including drops, spills, and cracked screens. Finally, Third-party offers post-warranty and maintenance agreements for products that are still viable and in use! If members maintain equipment under a warranty that is about to expire - or already has expired – third-party post-warranty and maintenance agreements keep them covered. Third-party dedicated field engineers serve as an extension of the IT organization and deliver dependable, efficient, and customizable hardware maintenance support. Our program can consolidate multiple vendor agreements, and equipment can be added or removed from coverage at any time. We provide affordability and reliable alternatives to manufacturer maintenance agreements, and flexible contracting provides 40-60% cost-savings from OEMs to a member's organization for post-warranty data center devices. Our service provider's Level III engineering teams—hired directly from OEMs and averaging over 15 years of experience—have helped us earn extraordinary trust with our customers and are available in every major metropolitan area throughout North America. In collaboration with our partner network, SHI can access over 50 service locations and 110 global stocking locations to support members' needs, no matter where the equipment is located.	*

Table 9B: Performance Standards or Guarantees

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
53	Describe any performance standards or guarantees that apply to your services	SHI provides comprehensive customer support when planning service engagements to ensure we meet each customer's needs. Given the variety of services SHI performs, different types of services may align with specific standards relating to the technology and requirements of the project. Where ISO or NIST guidelines are established, SHI will perform services in a manner that is compliant with or follows those protocols. As an example of one type of engagement, we have provided the standard guidelines followed for Quality Control (QC) by our warehouse integration center. When beginning an integration services project, we use templates to start the development of the workflow based upon information provided by the customer's onboarding information. These workflow templates are dynamic, and adjustments are made during the proof of concept, or first article build phase. The system engineers handle the technical aspect of the testing during the customer's first articles to ensure scripted processes and applications are functional. They then create an essential checklist of items to check for during the production phase. Next, the system quality control (QC) team performs in-depth testing of the process itself and creates detailed process documentation. The device is then physically shipped to the customer's location for in-person verification, or remote access to the device is provided for verification. Once the project is in production, SHI monitors and adjusts the project to scale as needed. Examples of how we've previously resolved issues include increased staffing, adding hardware resources, or reducing the total number of devices configured at one time. Work instructions start with our QC team working with the customer, internal project coordinators, system engineers, and technicians to develop thorough documentation that adheres to ISO 9001 standards. Documentation is stored on a private SharePoint document library with version control. If change and complexity management is needed, project coordinators at our facility work with sales teams, system engineers, QC teams, and technicians to address any changes. If the complexity goes beyond the expertise of these teams, other groups are engaged, both within SHI and third parties, as needed. The quality control process and tools vary by customer requirements, but in general, logs are collected from devices during the build process and stored on our servers. A scripted process to contain specific information from the devices can be developed if additional details are required. In addition, the QC team gathers requirements to create checklists or other methods of verification.	*
54	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	SHI is committed to achieving excellence by providing our customers with superior world class customer support and innovative solutions. Finding the right balance for setting customer service goals is integral to improving the customer experience. As the primary point of contact for their customers, it is even more important that SHI's AEs are representatives suitably motivated by the right goals. As our mission statement says, "We are passionate about delivering exceptional value and experience as we help customers select, deploy and manage technology." As a value-added reseller, our AEs are measured, incentivized, and evaluated commensurate to organizational and performance KPIs). These performance KPIs are closely aligned to customer success. Objectives such as revenue growth, resources used, certifications earned, customer engagement, and customer review are all primary objectives of SHI's KPI/metrics structure. SHI communicates to our teams that the success of every account manager is holistically customer centric.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	

55	Describe your payment terms and accepted payment methods.	Our payment terms are Net 30 and we will accept Purchase Orders or credit cards.	*
56	Describe any leasing or financing options available for use by educational or governmental entities.	Purchasing new hardware or software can be an expensive investment for even the most profitable organization. However, purchasing is not the only option: leasing and financing with SHI can be an excellent alternative to buying IT products. The leasing/financing process is relatively simple. Our pricing models include monthly, quarterly, or annual terms, and once all documents are approved and signed, SHI ships products directly to the customer. SHI's financial offerings include traditional and non-standard options for hardware leasing and software financing. Hardware Leasing SHI offers a traditional $1 buyout purchase option, and fair market value leases for hardware. We also offer a rental option. Other options include: • Return the equipment and start a new lease. • Extend the term of the lease. • Buyout the equipment for its fair market value. o Clients that do not want to have lease language in the contract or have the option to own the equipment use this structure. • $1 buyout, lessee owns equipment at the end of the term. • Fair market value leases have three end-of-term options. • Rental - Return the equipment at the end of the term or extend the term of the rental. The benefits to leasing hardware with SHI include: • Covers all equipment costs—no need to obtain additional financing elsewhere. • Frees up cash income-producing investments. • Sets fixed lease payments that are not subject to interest rate fluctuations. • Avoids technology obsolescence. • Reduces risks, as add-ons and replacements are fast and easy. • Reduces paperwork since the lessor handles all the invoices. • Reduces warranty and maintenance costs. • Matches the expense to the benefit. • Eliminates customer's need to plan for equipment disposal. • Simplifies budgeting with predictable payments. Software Financing SHI has a loan capability called an Installment Payment Agreement (IPA) which is available for transactions that are 100% soft cost. This option provides ownership at the end of the term for transactions that are software and services based. Non-Standard Options SHI offers non-standard leasing options such as 90-day deferrals and step up or down payment structures. SHI engages in discussions with your organization and works in good faith to accommodate non-standard terms or payment frequency.	*
57	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	SHI provides milestone notifications such as order confirmations, shipping notifications, and products on backorder. Quotes The specific details included in an SHI quote may vary depending on the products or services being offered, but generally the following information is included: • Quote Number: A unique identifier for the quote. • Customer Information: Details about the customer, including name, address, contact information, and the customer's SHI account number. • Product/Service Description: Detailed information about each product or service included in the quote. This could include product names, part numbers, descriptions, and quantities. • Pricing Information: The cost of each product or service and the total cost. This may also include details about any discounts or special pricing arrangements. • The Sourcewell contract number and member or participant ID number. • Terms and Conditions: Details about the terms and conditions of the sale, including payment terms, delivery timelines, warranties,	

and any other relevant information.
• Contact Information: The SHI sales representative's contact information in case the customer has any questions or needs further information.

Please note that this is a general guideline, and the specifics may vary based on the nature of the product or service being quoted.

Order Acknowledgements
The order acknowledgment provides the customer with confirmation that their order has been received and/or also processed.

During order entry, your Inside Account Manager can enter an email address for a representative(s) within the member entity who should receive order confirmation, up to an unlimited number. Within one hour of processing the order, SHI's servers will automatically send the order confirmation to the email addresses provided. Upon the customer's request, and with Publisher permission, SHI can include the License Key information for software installation on the Order Confirmation.

Advance Ship Notifications
SHI can send the purchaser an Advanced Shipment Notification email with tracking information. These notifications can be customized for a customer upon request.

Tracking Confirmation Notification
SHI's order management system is a complete order tracking and maintenance system. All the information your Inside Account Manager needs to provide the customer with tracking information resides on their desktops. Each day, SHI receives the tracking numbers for all products shipped from our distributors via EDI. These tracking numbers feed into the SHI Sales Orders and are ready for immediate access by your Inside Account Manager. In addition, SHI provides this tracking information to our customers through Your Home at SHI. Authorized customer employees can log onto our website to check order status and tracking data directly from the carriers.

SHI maintains all purchase history data in our order entry system. We can re-send tracking, license confirmations, invoices, or a sell-through report history to provide proof of purchase for a customer. In the event of a request to resend a license confirmation, a duplicate copy may be provided within four business hours of the customer's request.

Backorder Reports
Your Inside Account Managers (IAMs) are responsible for managing and monitoring your purchases and backorders. At the time of order placement, the IAM will check inventory and notify the customer if it is unavailable, with an ETA for the item to be back in stock. Your SHI Account Team will run a weekly backorder report to monitor the order status. The team will work with the Sourcing Specialist in Purchasing to check inventory through all sources to expedite shipment to the customer.

As the backorder status changes, the IAM will provide updates to the customer about the ETA. At any time before shipment, the customer has the option to leave the product on backorder, substitute a different product, or cancel the order with SHI. These reports can be customized upon request by a customer. No substitutions are shipped without prior written authorization from the customer.

EULA or SLA Documents
An End User License Agreement (EULA) is a legal contract between a software developer or vendor and the software user. This agreement lays out the rights and restrictions that apply to the use of the software and is agreed upon by the customer or end-user directly with the software publisher. *

Key elements of a EULA often include:
• License Grant: This specifies that the software is being licensed, not sold, to the user, meaning the user has the right to use the software but does not own it.
• Restrictions on Use: The EULA may limit how the user can

use the software. For instance, it may prohibit the user from modifying the software, using it for commercial purposes without a license, or sharing it with others.
- Intellectual Property Rights: The agreement usually states that the software developer or vendor retains all intellectual property rights in the software.
- Warranty and Liability: The EULA typically includes disclaimers of warranties, limitations on the developer's liability, and what happens if the software fails to perform as expected.
- Termination: This section explains under what circumstances the agreement can be terminated, and what happens when the license is terminated.
- Privacy Policy: The agreement may include information about how the software collects, uses, and protects the user's data.

The EULA is typically presented to the user for acceptance during the installation process of the software, and the use of the software is contingent on the user accepting the terms of the EULA.

A Service Level Agreement (SLA) is a contract between a service provider and a customer that specifies, in measurable terms, what services the provider will furnish. While the specifics can vary greatly, a typical SLA includes the following components:
- Scope of Services: This details the services to be provided, how they will be delivered, and the schedule for delivery.
- Performance Metrics: These are measurable aspects of the service such as response time, uptime, throughput, etc. They serve as standards against which service performance can be evaluated.
- Monitoring and Reporting: The SLA will detail how performance will be monitored, how often, and the type of reports that will be provided to the customer.
- Problem Management: This includes how issues will be handled, the expected response and resolution times, and the communication process for informing the customer about issues and their resolution.
- Responsibilities: The SLA should clearly define the responsibilities of both the service provider and the customer. This can include prerequisites the customer must meet for services to be effectively delivered.
- Penalties and Remedies: The agreement will specify what happens if the service levels are not achieved. This often includes financial penalties or service credits.
- Confidentiality and Security: This section outlines how the provider will protect the customer's data and ensure privacy.
- Termination Terms: This includes under what conditions the contract can be terminated, and what the process will be.

The specifics of an SLA will depend on the nature of the services being provided, the customer's requirements, and the service provider's capabilities.

Statements of Work
A Statement of Work (SOW) is a document that defines the scope and specifics of a project. It provides detailed information about the expectations, deliverables, and timelines for a specific engagement. Here are the key components typically included in a SOW:
- Project Overview: This provides a general summary of the project, its purpose, and objectives.
- Scope of Work: This outlines the specific tasks or services to be performed, often broken down into phases or milestones.
- Deliverables: This section lists the tangible outputs to be produced by the project, such as a completed piece of work, a report, or a physical product.
- Timeframe: The SOW will specify the start and end dates of the project, along with any important deadlines or milestones along the way.
- Standards and Criteria: This section describes the quality standards or benchmarks that the work should meet.
- Payment Terms: This includes details about the project's budget, payment schedules, and any relevant terms and conditions.
- Resources: This section provides information about any resources or materials that will be needed to complete the project.
- Responsibilities: This outlines the roles and responsibilities of all parties involved in the project.
- Assumptions and Constraints: This area describes any assumptions made during the planning phase and any constraints

		that could limit the project's execution. • Terms and Conditions: This includes any legal terms and conditions related to the project. We have provided samples of these documents in the attachments. Please note that EULA documents are provided directly by a software or cloud publisher and SLA agreements are provided directly by a manufacturer or partner providing services.	
58	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, SHI can accept Visa, Mastercard, and American Express. There is an additional fee to use a credit card.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
59	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Full Catalog Pricing SHI is pleased to offer Sourcewell and its member agencies a discount off SHI Advertised List Price (AP) by product category. Please reference the pricing sheet attached to this response for the product groups and associated discounts off SHI Advertised List Price, which SHI is proposing. SHI Advertised List Price is a verifiable source, referenced 24/7/365 at SHI.com. In many cases, SHI Advertised List Price already reflects a substantial discount off Manufacturer Published List prices, where a list price exists. The customer unit price shown is prior to any special shipping charges or credit card fees as those will be calculated at the time of order. Most products ship FOB destination or are delivered electronically without additional fees but where special freight is requested that will be calculated separately. Given the breadth of manufacturers and products that SHI offers, opportunities for SHI to secure additional discounts for eligible contract users are plentiful. We work to provide your contract users with the most advantageous pricing available, and we go above and beyond the minimum discounts offered whenever possible. SHI is pleased to offer a complete electronic catalog for Sourcewell and its member agencies. Professional Services In addition to product pricing, we provide professional technology services that can be priced via a Statement of Work (SOW) scoped specifically to the customer's requirements. These can be structured as hourly rate services or at a fixed price. SHI will work with the Sourcewell member to define the detailed scope of work, including the deliverables, timeline, expectations, and milestones payments. We establish rates for services on individual SOWs, with SHI project management fees added as applicable to ensure project success. Hourly Rate Services Hourly rates are established for various roles (e.g. project manager, business analyst, developer, etc.). These rates reflect the skill level and experience required to perform the work. Our professional services experts or partners will estimate the number of hours and skill levels of resources needed to complete the scope, factoring in time for meetings, planning, documentation, testing, rework, etc. Out-of-pocket expenses may also be charged to the member separately (e.g. travel costs). We generally establish our Service Rates on a per-service basis, determined collaboratively with customers based upon their needs, and - when relevant - with Service Partners. Fixed Price Services Fixed price means the total cost for the project is agreed upon upfront and does not change based on effort or time required. This provides cost predictability for the member and is scoped with the same factors that are considered for hourly rate services including	

		the expected timeline, scope, resources required, testing, etc., and outlines the payment schedule based on expected deliverables throughout the project. Pricing for professional technology services for a scope of work typically involves several factors: 1. Scope of Work: The scope of the project, i.e., what tasks are to be performed, the complexity of the work, the technologies involved, and the deliverables expected. This will determine the amount of time, resources, and expertise required. 2. Time and Effort: An estimate of how long the project will take and the amount of work that is involved. This could be based on the number of hours or days, the number of people required, or the number of tasks to be completed. 3. Expertise Required: The level of expertise needed to perform the work will also affect the price. More complex tasks that require highly skilled professionals will be more expensive than simpler tasks that can be performed by less experienced personnel. 4. Overhead Costs: Any overhead costs such as utilities, rent, equipment, and software licenses that the service provider incurs are also factored into the price. 5. Price and Milestone Payments: Considering all factors for the project, the vendor will include the full cost (fixed price) or estimated price (hourly rate or Time & Materials) of the project and determine the milestone payment schedule. Milestones are determined by the completion of key project stages, tasks or deliverables custom to the engagement, which are completed by the vendor and accepted by the customer, at which time the customer will pay a portion of the fees for the project until the project is completed, and the final payment is made. It is important to note that any changes to the scope of work after signing or project start may result in additional costs and will be executed only after an agreed upon change order form is signed. Cost Savings SHI understands how important it is for our customers to achieve cost savings. We pride ourselves on being honest and transparent with customers, especially for pricing. We base our discount structure on SHI Advertised Price and do not inflate the price for RFPs to make discounts appear larger. SHI collaborates with vendor partners to help bring customers the best possible pricing. We constantly strive to help you save money across products and services—long after a sale is made. Our account team works with you from the beginning of your project and throughout the lifecycle of your purchase. Because we approach your IT solutions neutrally and are not limited to one or two OEMs, we can ensure you get the best solutions to support your needs. In addition, we will review buying programs and create price modeling to ensure that the technology you choose is being bought in the best way possible and at the most aggressive price. Your Account Executive will work with manufacturers and Sourcewell members to forecast volumes and to negotiate pricing on those forecasts. The manufacturer may allow for special pricing for purchases over time, in which case SHI creates a SKU within our order entry system that can only be used by the member that reflects the additional discount. SHI has built our business by helping customers save time and money when buying IT. We will continually look at the business and analyze usage and spend to uncover cost savings wherever possible. Our support teams contribute to this mission by providing expertise and options for products and processes that ensure the right technology is chosen at the right time. We have a proven track record of maximizing the benefits of large cooperative contracts for our customers, helping them to realize millions of dollars of savings.	*
60	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Our proposed discounts range from 0% - 18% off SHI's Advertised List Price. Please see the uploaded price file for category-based discounts.	*
61	Describe any quantity or volume discounts or rebate programs that you offer.	SHI fully understands how important it is for our customers to achieve cost savings. Given the breadth of manufacturers and	

products that SHI offers, rest assured that opportunities for SHI to secure additional discounts for eligible contract users are plentiful. We work to provide your contract users with the most advantageous pricing options available, and we go above and beyond to offer better pricing than the contract requires, as often as possible. SHI's position in the marketplace affords us both preferred pricing from software publishers and hardware manufacturers, and leverage when negotiating with partners on our customers' behalf. We will work closely with our network of software publishers and OEMs to identify areas for additional savings and better return on investment for Sourcewell.

The following demonstrates some ways we identify cost savings opportunities for our customers:

Hardware
Volume Purchase Programs: Many hardware manufacturers offer volume discount programs based on customer commitment or contractual agreements. Our product specialists and hardware resource representatives review your purchases and provide recommendations for when you may benefit from these programs. We ensure you receive all eligible benefits with the assistance of your AE.

Volume Discounts: Even manufacturers without formal discount programs may offer additional discounts based on the size and purchasing volume of Sourcewell. We negotiate with manufacturers to obtain the best price for you. Your AE will analyze SHI's extensive reports to determine product lines or manufacturers where you make large quantity purchases and negotiate accordingly.

Manufacturer Specials/Promotional Pricing: Your AE continuously monitors the market and manufacturer promotions that benefit Sourcewell. They will bring these opportunities to members' attention, considering the timing of the promotion in relation to deployment needs.

Rebates: SHI does not provide standard rebates to member contract users, but we are committed to offering our customers the most competitive pricing from the start. This upfront pricing approach is advantageous for Sourcewell members, as it ensures that they receive the best possible pricing right away. We actively collaborate with OEMs to secure additional discounts for large volume purchases and explore any additional manufacturer incentive programs for which members may qualify. Our aim is to consistently provide the most favorable pricing options available. *

Third-Party Manufacturers: While some customers believe they must purchase OEM peripherals, there are many third-party manufacturers that offer comparable products at lower costs. Your SHI account team will present these options to you, allowing you to select the option that best fits your requirements.

Software
Transactional Licensing Programs: These licensing programs offer significant savings to customers making large quantity purchases without making long-term commitments or forecasts. The discount level is determined by a first-time buy-in, sometimes even with just one license. Your IAMs will provide information on eligibility for these discounts during the quoting process, and your AE will identify these opportunities during meetings with members.

Contractual Licensing Programs: Members' AEs review purchase history and make recommendations for contractual licensing programs. These opportunities are typically identified based on comprehensive purchase history reports from SHI. We not only review individual purchases to identify new volume license agreements but also assess current agreements to recommend negotiations for higher discount levels and better terms.

ITAM Services
Our IT Asset Management (ITAM) team helps customers optimize hardware and software investments to ensure continuous compliance and cost savings. With a range of services tailored to customers of any scale and industry, our ITAM team leverages its expertise in managing complex infrastructures. They provide services such as

		data analysis, inventory management, licensing consultation, ITAM policy and process consulting, and service delivery management. Our team of over 80+ ITAM subject matter experts (SMEs) has unparalleled experience in achieving ITAM goals in various complex scenarios, serving customers with infrastructures ranging from 500 devices to 500,000 devices.	
62	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.	When a customer requests the Sourcewell contract, all products will be considered contract purchases and therefore will be quoted with pricing that aligns with our category-based discounts off SHI Advertised Price.	*
63	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Given the overall breadth and customizable solutions offered under this contract, it would be hard to detail every item that will not come standard with a given purchase. However, pre-delivery inspection, installation, project management, training, and additional set-up services are not part of standard cost unless a customer specifically requests these services at the time of quoting. In addition, non-standard shipping options detailed in question 64 and credit card fees detailed in question 58 are not included in the product price.	*
64	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	Shipping costs will vary depending on the equipment being ordered. In many cases, client hardware is shipped at no additional cost to the customer. Standard shipping will be covered, but special delivery requirements, expedited shipping, custom configurations or palletized shipments will be subject to a shipping charge. If shipping needs to be charged, SHI will charge the customer actual shipping per purchase. SHI sources products directly from OEMs and an expansive network of authorized distributors. As a reseller, SHI does not directly determine the cost of shipping for each order. Instead, we pass through actual shipping charges which can only be determined at the time of quote as they are based on size and weight. To reduce shipping costs, SHI will ship from the location with inventory closest to the customer's shipping address if possible. SHI can ship products via any method the customer desires. These include: • Standard delivery: The product is delivered to a fixed delivery point (such as a warehouse). Often, shipping is free on standard delivery orders. Exceptions include very large pallets (servers that are racked/stacked), and any order that requires custom configuration. • Overnight and second-day delivery: this option is available for any non-custom items upon request. There is a fee for expedited delivery. Shipping prices are determined by size and weight of the delivery and can be discussed at time of quoting. • Deskside delivery: SHI’s logistics company delivers the product directly to the end users’ desk location within the customer's building. Loading dock may or may not be available. There is a fee associated with deskside delivery. The fee is based on the size and weight of the shipment and will be priced out at the time of quoting. • Inside delivery: The product is delivered to a location inside of a customer's building. SHI’s logistics company unloads the delivery vehicle. Loading dock may or may not be available. There is a fee associated with inside delivery. The fee is based on the size and weight of the shipment and will be priced out at the time of quoting.	*
65	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Orders shipped to destinations in Alaska and Hawaii may incur additional freight fees.	*
66	Describe any unique distribution and/or delivery methods or options offered in your proposal.	SHI maintains relationships with large IT distributors, as well as smaller, local distributors, and manufacturers directly. We leverage our unique distribution model with these partners to drop ship orders directly to customers' locations. Our extensive network of distribution centers throughout the US reduces time to market for our customers. SHI always ships from the location closest to the customer's shipping address with available inventory and the best pricing option. SHI Integration and Configuration Centers SHI has provided software and hardware integration services for over 20 years to global enterprises, mid-market organizations, and	

state and local government customers. We offer a wide variety of services available through our two state-of-the-art, ISO 9001:2015 certified facilities, Knox (end user compute) and Ridge (data center)—created to provide scalable, customized, and effective integration solutions at every step of the way and for every size of deployment.

Our integration services provide:
- Expertise and experience
- Lower overhead costs
- Certified resources
- Reduced labor costs
- Quicker deployment timelines
- Reduced risk

Our configuration experts and integration centers make configuring and shipping customized hardware a seamless, effortless process. Our goal is simple: to meet and exceed expectations while providing a quality turnkey solution.

Knox Warehouse and Configuration Center
The Knox warehouse and configuration center is used for advanced systems and provides custom-configured, ready-to-ship machines. Our 305,000-square-foot facility is static-free, climate-controlled, and protected by the most rigorous physical security and cybersecurity.

The configuration center employs a variety of servers, network switches, hubs, barcode printers, and cabling to provide a secure and robust production and testing environment. Equipment is regularly added and replaced to keep up with changes driven by technological advancement and client requirements.

Knox contains 330 build stations where SHI team members can simultaneously configure approximately 1,350 devices and utilize an efficient workflow to image and configure up to 3,500 systems per day. The warehouse facility allows SHI to pre-configure and stock machines with the most popular client-specific images to provide minimum turnaround time.

Ridge Integration Data Center
A team of 140 employees staff the Ridge integration center and expands SHI's ability to support advanced data center solutions, including integration services that combine components from multiple manufacturers into ready-to-deploy rack systems. To facilitate expansion, SHI keeps an equal number of completed build rooms and rooms left available for future use. The build rooms are used to build and automate integration workflows to increase the efficiency and accuracy of work. The facility allows SHI to power more than 150 racks simultaneously.

The Integration Data Center Services (IDCS) organization provides technology-related services of the highest quality to support our customers' unique requirements. The IDCS team at Ridge provides a suite of data center services to accommodate any technology need.

SHI integrates individual custom build requirements into our quality control platform for documentation, verification, and reporting. SHI's pre-configuration platforms increase deployment speed and reduce risk and complexity by constructing solutions in the staging facility.

These configuration warehouses offer a variety of support services prior to delivery of end-user and data center hardware.
- Server rack and stack (Ridge)
- Advanced configuration
- Mobile device configuration
- Integrated add-ons
- Asset tagging
- Image deployment
- Laser etching
- Activation
- Kitting
- Custom label and packing
- Inventory management

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
67	b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
68	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	SHI's Capture and Strategy organization has multiple team members dedicated to our compliance and the success of the Sourcewell contract, including our Capture and Business Development Manager, Contract Compliance, and Contract Reporting Analysts. Capture and Business Development Manager As we mention throughout this proposal, Sourcewell will continue to have a dedicated Capture Manager, Tory Pubylski, working with the assigned SDA to consistently monitor our contract usage, compliance, and opportunities to grow the contract together. The Capture Manager will work with the Compliance team to train all sales teams utilizing the Sourcewell contract immediately upon award so that field and inside sales are aware of how to adhere to accurate contract pricing and terms and conditions of the contract. Tory will serve as the main point contact of for any issues or concerns that arise during the contract. Contract Compliance Sourcewell is looking for a partner that takes contract compliance seriously. We understand the importance of this aspect of the business, which is why SHI's Contracts Compliance organization is focused on meeting agreed-upon requirements. This team is comprised of five members who can confirm we meet the expectations outlined in your RFP and subsequent contract. We do this during the proposal process, contract negotiation, and beyond through: • Issue investigation and resolution • Proactive internal auditing • Proactive tracking of operational obligations • Process improvement recommendations • Strategic updates If inquiries or reviews are required, our dedicated team can investigate and provide findings with a suggested path forward, which we believe will strengthen our working relationship. Pricing, Reporting, and Administration Fees To ensure proper pricing, SHI will create a custom catalog in our system based on the agreement with Sourcewell. This contract pricing is visible to customers on our website—with real-time updates using live data feeds from SHI's suppliers. Our web catalog team manages the catalog content and audits pricing to ensure accuracy. In addition, we can run reports related to purchases made under Sourcewell's contract. Orders placed through the website and with our Inside Sales teams will capture the Sourcewell contract number so the sale will show when the Contract Reporting Analyst pulls the quarterly report. We can also collect data in customized fields and can deliver both standard and custom reports. SHI can deliver standard reports in one of three formats, including: • Contract invoice detail • Manufacturer profile

Docusign Envelope ID: 11C2077F-C141-4D41-9FC0-F25CFA2D7491

- Invoice detail

After the reports are reviewed and confirmed to be accurate, the analyst will submit them directory to our Supplier Development Administrator and then coordinate payment with our accounting department for the correct amount in administrative fees to be paid to Sourcewell.

Sourcewell Dedicated Contract Capture and Compliance Team Members *

Victoria (Tory) Pubylski, Capture and Business Development Manager -- As Capture and Business Development Manager, Victoria, or Tory as many know her, manages the SHI relationship with the Sourcewell Cooperative. Tory works to grow SHI's business under our awarded contract with Sourcewell by training our sales teams, joining customer calls, answering customer inquiries, and connecting customers to their SHI account executives. She also works with SHI's account executives to understand the contracts we have available to their customer base, how to appropriately utilize them, and prepare them for strategic upcoming RFPs where there could be an opportunity to increase our support through new contracts.

Tory has supported the public sector at SHI since 2015 as a Sales Support Operations Manager. She joined the Public Sector Proposals team in 2018, supporting government and education until transitioning to her current role in 2022. She feels most rewarded in her role when providing training and information to our sales teams and seeing their passion for how to support their customers as best as possible. She currently resides in Austin, TX.
To learn more about Victoria or to view her background and resume, please visit her on LinkedIn at https://www.linkedin.com/in/victoria-tory-pubylski-604b4583/.

Arianne Mount, Director of Public Sector Contract Compliance — Arianne started her career with SHI more than 15 years ago as an Inside Account Manager. She then transitioned into a sales support specialist role, serving SHI's business units in a sales analyst capacity. That role evolved into a leadership position for two separate teams, which helped manage all incoming legal and proposal submissions. These teams also tracked results and developed data-based strategy updates. Following her success in that role, Arianne was offered an opportunity to manage a proposal operations team focused on the proposal lifecycle, metrics, and data-led strategy. In 2022, she expanded her team to include contract compliance, which supports SHI's salesforce and customers with their public sector contracts.

Arianne currently manages a team of public sector compliance specialists responsible for strategy, reviewing capabilities, initiating new processes to align with customer requirements, tracking cadenced operational obligations, and issue investigation and resolution. She feels most rewarded in the role when her team can impact day-to-day processes for SHI and improve customer satisfaction with their contracts.

Arianne is a resident of central New Jersey. To learn more about Arianne or to view her background and resume, please visit her on LinkedIn at https://www.linkedin.com/in/arianne-mount-2b301146/.

Anthony Sapichino, Sr. Contracts Compliance Specialist—Sr. Contracts Compliance Specialist Anthony Sapichino works at the pre- and post-sales stages to ensure that SHI is compliant with our public sector contracts. In his role, he supports everyone from our proposals team to the post-sales team with compliance issues, helping to ensure that SHI is compliant with all requirements.

Anthony has been with SHI for over ten years, beginning as an Inside Account Manager supporting mid-Atlantic public sector accounts for two years before becoming a manager

		in the strategic space. He was a manager for seven and a half years before recently moving over to the compliance team. Anthony resides in Parlin, NJ. To learn more about Anthony or to view his background and resume, please visit him on LinkedIn at https://www.linkedin.com/in/asapichino/.	
69	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	In our experience, there are a few key indicators of success for contracts of this type: 1. Overall sales revenue The first, and most obvious, is simply the number of sales that are being done through the contract. We look for these to grow each month. 2. Number of entities using the contract. We believe that to be viewed as a successful partner to Sourcewell we need to be adding net new buying entities to the contract. 3. Number of AEs who are using the contract. In addition to the number of public entities that use the contract, we also track the number of Account Executives at SHI who make use of the contract. We track this metric regularly and are always looking for 100% participation with our cooperative contracts. 4. Customer Feedback. We rely on our customers to provide feedback with regards to doing business with SHI and believe this contract's success can also be measured by customer feedback. Providing our customers flexible and viable contract options makes their job easier. When we lead with Sourcewell and educate members on value, we expect we will get positive feedback. SHI has tracked these numbers under our current awarded contract and based on these metrics, SHI's current Sourcewell contract has been very successful. We will continue to analyze this same data under a new awarded contract to ensure we stay on the same path.	*
70	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	SHI proposes a 1% Administrative Fee. We believe this nominal fee keeps the contract competitive and even more marketable.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Proposers must designate if they are seeking an award in Category 1 only or Categories 2 and/or 3. As stated in Section II. B.1. of "REQUESTED EQUIPMENT, PRODUCTS, OR SERVICES," Proposers responding to Category 1 must offer a complete electronic catalog system permitting Sourcewell and Sourcewell Participating Entities to make web-based purchases."

Proposers submitting a proposal in Category 1 must include at least one solution in each of Categories 1, 2, and 3 within its singular proposal. For example, if a Proposer offers solutions within the scope of Category 1, 2 and 3 the Proposer should designate it is seeking an award in Category 1. Proposers seeking award in Category 2 and/or 3 must include at least one solution offered within the scope of the desired Category.

Line Item	Category 1	Category 2	Category 3
71	(•) Yes ( ) No	( ) Yes (•) No	( ) Yes (•) No

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	

72	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	We are pleased to offer our comprehensive catalog of products and services to meet the unique needs of each Sourcewell member in response to this RFP. We pride ourselves on our vendor-neutral approach, which allows us to provide the most suitable technology solutions for various IT environments. Our offerings span a wide spectrum, from software and hardware to cloud services and more, courtesy of our extensive partnership network of over 15,000 product partners. SHI is committed to offering full IT solutions to Sourcewell members, ranging from basic software and hardware commodities to sophisticated, end-to-end data center solutions. Our expertise in crafting IT solutions that perfectly align with our customers' needs ensures that your members will benefit from our wealth of knowledge in designing, implementing, and optimizing IT ecosystems. We offer a broad range of IT solutions that cater to the unique needs of Sourcewell's members. 1. Hardware and Software Products: SHI offers a wide array of hardware and software products from leading manufacturers. We collaborate with top technology partners such as Apple, Microsoft, Adobe, Dell, HP, and Cisco. 2. Advanced Solutions: SHI provides advanced solutions like cloud computing, data center infrastructure, networking, and security. Our cloud solutions include services for public, private and hybrid cloud environments. 3. IT Asset Management: SHI helps businesses manage their software and hardware assets more effectively. We provide services for software licensing, hardware lifecycle management, compliance and risk management. 4. Professional Services: SHI's professional services team can help with everything from initial assessments and consultations to full implementations. These services can help members optimize their IT environments and implement new technologies. 5. Support Services: To ensure smooth operation, SHI offers a range of support services, including hardware maintenance & support, software support, and managed services, delivered directly by our internal teams, by the manufacturer directly, or by subcontracting through our elite partner network. 6. E-commerce: Our robust e-commerce platform allows customers to purchase IT products easily and track their orders. 7. Sustainability: SHI also focuses on providing sustainable IT solutions. We offer services like IT asset disposal and recycling to help customers reduce their environmental impact. In summary, SHI's wide range of IT solutions is designed to help entities address their technology challenges, optimize their IT investments, and navigate the ever-changing technology landscape. Our strategic technology partnerships can be viewed on the partner page of SHI.com. https://www.publicsector.shidirect.com/public-sector/brands Our purpose is to provide the best overall value to Sourcewell, and we understand that this goal is achieved through a combination of world-class support, aggressive pricing, and extensive product and service offerings. Our objectives align with your mission to "provide leading solutions that empower community success," and we accomplish this by remaining laser-focused on customer relationships: every SHI employee understands that we are here because of our customers and will remain here only as long as we continue to provide extraordinary products, services, and customer satisfaction.
73	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	SHI is a customer-centric provider of diverse software, hardware, and IT products. We are proud of our wide array of services and support, offered directly or via our expansive network. We collaborate with 15,000 unique publishers and OEMs, holding top-tier certifications from leading OEMs such as Apple, Cisco, Dell, HP, Microsoft, and VMware. As the technological landscape evolves, so does our product catalog, constantly updating to meet customer demands. Our IT solutions range from software and hardware procurement to comprehensive data center solutions. Below, we provide subcategory titles along with details on some of our most up-to-date solution offerings. Hardware End-User • Devices - PCs, Laptops, Tablets and Smart Phones • Peripherals – Monitors, Cables, Accessories like Keyboards, Mice, Headsets, Memory, and Audio/Visual Equipment, etc. • Digital Signage, Kiosks, and Touchscreen Devices • Mobility – Tablets, Smart Phones, Printers, Mobile Device and App Management • Unified Communications and Collaboration (UCC) – Devices, conferencing and collaboration platforms, cameras, headsets, etc. • Services: Imaging, configuration, asset tagging, inventory, warehousing, kitting,

and shipping
Print - Printers, Scanners, MFDs, Toners and Supplies
Data Center - Servers and Storage, Power and Cooling, and Services: Configuration, asset tagging, kitting, and shipping
Networking – Wireless, Routers / Switches, SD WAN, Connectivity

Software
SHI has partnerships with thousands of software partners, including key relationships with publishers like Microsoft, Adobe, IBM, VMware, and SAP, and we offer a wide range of services delivered directly by our internal teams, by the manufacturer directly, or by subcontracting through our elite partner network.

Cybersecurity/SOC Monitoring
As your organization pursues cloud, digital transformation, and remote workforce strategies, SHI can help you defend against cyberattacks' growing threat and navigate complex regulatory requirements. SHI works with leading cybersecurity technology providers to promote sound information security governance and ensure that your infrastructure, data, and people are protected.

Our solutions center around Identity and Access Manager, Application Security, Data-Centric Security, Data Center and Cloud Security, Threat and Vulnerability Management and services, including security risk assessments, incident response, program strategy and operations, and security strategy consulting.

From assessment to implementation, we help organizations reduce risk with a dynamic approach that strikes the right balance between people, processes, and technology. Here are some of the ways that we can advance your cybersecurity:
• Secure Governance: In a rapidly evolving landscape of threats and regulatory obligations, SHI helps you address cybersecurity governance challenges by effectively setting strategy, standardizing processes, enforcing requirements, and ensuring you have the resources in place to achieve security and business goals.
• Secure Infrastructure: SHI takes a balanced approach to cybersecurity that ensures consistency across on-premises, hybrid and multi-cloud environments. Our experts help you address modern data center challenges with a strategy that starts with architecture and optimizes security controls and policies.
• Secure Data: SHI helps shift your focus from trying to secure everything to protecting what matters most – your data. We work with you to locate and understand your sensitive data, so you can establish exactly what you are trying to protect and ensure the appropriate controls are in place.
• Secure People: We partner with you to address the human element of cybersecurity. Our solutions and services enable you to thwart attacks that exploit human vulnerabilities, including malware, phishing, and impersonation across email and the cloud.

Cloud
Our Cloud solutions teams can help customers navigate Public and Private Cloud Environments, as well as Software as a Service (SaaS), Hybrid SaaS, Infrastructure as a Service (IaaS), Platform as a Service (PaaS), Database as a Service (DBaaS), Unified Communications as a Service (USaaS), “X” or Miscellaneous as a Service (XaaS or MaaS) solutions. We also offer a wide range of cloud services, including cloud migration, optimization, and management, and we have partnerships with major cloud providers like Microsoft Azure, AWS, and Google Cloud.

EULA Management
SHI offers EULA review services for a fee. The end-user license agreement services are performed by a contract administrator experienced in negotiating software license agreements. These services offset the burden of risk our customers must manage for what is considered "long tail" software publishers, meaning those non-major or strategic partners. SHI works with you to establish a playbook of rules, processes, and policies related to identifying risk and how best to contractually address the various software publishers in scope. After a negotiation, SHI prepares a summary for your review and action. This summary would include details about any remaining risks, concessions made, requirements the publisher refuses, etc.

Advanced Solutions Group (ASG)
The IT landscape has seen significant changes over the past decade, with a growing focus on holistic solutions that address evolving customer needs, as opposed to mere commodity products. Responding to this shift, SHI developed our Advanced Solutions Group (ASG) to provide solution-based support. This team, comprising over 600 technical experts holding 3,000 certifications in various products and solutions, is dedicated to meeting Sourcewell members' requirements, guiding you to the right technology, and aiding in integrating that technology into your environment. The Advanced Solutions Group, like all of SHI, maintains a vendor-neutral stance, utilizing its vast experience to tailor discussions that best suit each member's specific needs. We provide support during the strategy and solution design phase of a project, assisting with planning, assessments, conceptualization,

proof of concepts, and procurement of demo units.

Our ASG team has focused solutions groups including:
- o End-User/UCC
- o Cloud Design, Adoption, Optimization and Management
- o Data Center Technologies – Server/Storage/Backup
- o Networking – Core, Edge and Transport
- o Security Solutions

These teams, include solutions engineers and professional services support, working arm-in-arm with our devoted OEM partner teams to assist our customers in keeping pace with their evolving IT needs and facilitate seamless technology adoption.

Professional Services
Our professional services teams are vendor-neutral and use an extensive range of experience to help tailor conversations optimally for any member's specific environment. We see our professional services offerings as a differentiator in the hardware and software reseller marketplace. Our objectives are to 1) help ensure our customers are purchasing the right solution, 2) help our customers deploy the chosen solution as rapidly as possible while minimizing risk, and 3) maximize customers' adoption of the chosen technology, thereby maximizing the value of their investment.

Managed Service Provider (MSP)
SHI's Managed Service Provider (MSP) solutions include a wide range of services, such as network management, cybersecurity, data backup and recovery, cloud services and our complete portfolio of Modern Workplace Services.

Modern Workplace Services
SHI's Modern Workplace Services (MWS) cover hardware Lifecycle Services, Multi-Vendor Platform Support (MVP), Asset Recovery, Digital End-User Experience (DEX), Staff Augmentation, Mobility and Warranty services.

Lifecycle Services
The modern workplace has become increasingly dynamic. However, varied locations, schedules, and technology use can all be costly considerations when managing your workforce. SHI's Device as a Service (DaaS) solution is designed to help Sourcewell members adapt to this change, providing outcomes that achieve cost and operational efficiencies. We provide comprehensive management of all your devices across every stage of the asset lifecycle and are committed to keeping your end users productive and engaged.

Our customizable solution ensures you have the devices you want, the support you need, and the lifecycle of your devices managed based on a predictable, monthly, per-device cost. DaaS is an alternative to a traditional lifecycle services procurement approach. It provides customers access to the latest end-user computing and all-inclusive managed services to help meet their ever-changing technological needs. Each DaaS engagement is customized to include configuration, deployment, technical and warranty support, and IT asset recovery and disposal solutions.

DaaS can provide substantial benefits to members, including increased flexibility and multiple device options, and it accommodates IT budgets and operations with OpEx, hybrid and CapEx models. The DaaS model allows for a per-unit, per-month fee for the member's contract term, including the hardware's pricing and all related services.

ZeroTouch Provisioning
Regardless of the devices and operating systems that customers opt for, SHI can aid them in establishing a ZeroTouch deployment strategy. This is possible due to SHI's leadership in Zero Touch capabilities since its inception in 2011, and its commitment to OEM program adoption.

SHI provides support for a variety of platforms, including Apple Business Manager, Windows Autopilot, Chrome Zero Touch Enrollment, Android Zero Touch Enrollment, and Samsung Knox Mobile Enrollment.

With a history of being at the forefront of such services, SHI was the first reseller to offer Apple Business Manager, enroll devices into Autopilot, and provide ZeroTouch Services for Chrome.

Multi-Vendor Platform Support
MVP Support helps businesses confidently support multiple enterprise platforms to dramatically reduce costs and eliminate complexity often found with multi-vendor support services. MVP Support is a global support solution powered by Level 3 engineering PODs, service delivery, critical incident management, and a powerful integration platform to support complex vendor escalation workflows and processes.

Digital End-User Experience (DEX)
SHI's Digital Employee Experience (DEX) service provides an accessible view of everything affecting an end-user's performance. It fosters a productive user experience in which IT issues are detected, diagnosed, and resolved often before users even feel the impact. Our DEX Managed Service includes deployment, configuration, and optimization of your digital experience platform, allowing you to take full advantage of your current OEM toolset. We allow our customers to sit back and relax by helping them gain complete visibility and insight through advanced dashboards to create automated and proactive responses, resolving issues before disruptions occur.

Staff Augmentation
SHI's Staff Augmentation program is built on the expertise of our elite partner network of staffing providers. SHI maintains relationships with a wide range of staffing partners around the world, enabling us to find the right blend of SHI internal and staff augmentation resources to address even the most complex requests. Through this robust network, SHI can ensure that our customers have a deep and diverse candidate pool as they seek to accelerate their business by infusing talent and expertise through staff augmentation.

We source the perfect IT professionals for your needs by:
- Obtaining a complete understanding of each assignment.
- Developing a thorough search plan that may include pre-identified targets, organizations, resumes in our database, Internet advertising and searching, and engaging one of our qualified partners.
- Conducting a multiple screening process, which includes our technical recruiter, recruiting manager, and one of our technical resources.
- Checking professional references prior to the client interview.
- Presenting our top candidates to you for review and interview.

SHI provides members the benefit of having fast responses from our dedicated resources who act as a single point of contact to assist with onboarding and off-boarding candidates with no hidden fees all backed by our reliable recruiting process.

IT Asset Management (ITAM)
The IT Asset Management (ITAM) team at SHI helps our customers optimize Hardware and Software investments to ensure continuous compliance and cost savings. The ITAM team at SHI has a full portfolio of services to support customers of any scale, industry, and sector. With a team of over 80+ ITAM SMEs, many of whom are former auditors themselves; SHI has Data Analysts, Inventory Engineers, Licensing Consultants, ITAM Policy and Process Consultants, and Service Delivery Managers on hand to become an extension of your existing resources.

Our ITAM team provides SAM services to customers ranging from 500 devices to 500,000 devices with widely varying and complex infrastructures. ITAM Services combine:
- Volume License expertise supporting the world's most complex IT environments since 1989.
- Inventory and discovery expertise
- "Best of Breed" SAM toolsets
- SaaS-based IT Asset Management platform with 24/7 web portal
- Best Practice Service Management
- ISO 19770-1 aligned SAM Process and Policies
- Dedicated SAM Licensing and Inventory Consultants, Licensing and Inventory Engineers, Process and Policy Consultants, Service Managers, and former auditors.
- Compliance and optimization baseline: A license compliance and optimization baseline is a one-time assessment of a publisher or publishers that identifies trends in your current licensing, surplus license opportunities, and licensing deficiencies to be reconciled. With the baseline, you can make informed decisions regarding license contracts, maintenance renewals, and software procurement for cost savings, reduced risk, and recycled software assets.
- Audit defense: SHI has a full, rapid-response audit defense team to assist customers in any audit situation. This service has resulted in an average settlement of 10% of the publisher or auditor's findings.

Workshops and assessments: We provide various customer workshops and assessments, from ITAM maturity assessments to cloud readiness reviews to ITAM ROI value workshops. Whether you are unsure of what software your organization has deployed, what software your license agreements entitle you to deploy, are looking to mitigate compliance risk, or reduce overall software costs, our IT Asset Management services can help you take control of and manage your assets.

The Workshop
The SHI Software Asset Management (SAM) Planning Workshop ("the Workshop") is

a compact, disciplined process that ensures the right software entitlements, measures, and collection processes are in place. The Workshop brings together all the personnel, skills, and experience needed to coordinate and plan the complex process of gathering information for asset and compliance management. The Workshop ensures that you have addressed all the software audit risk areas and are prepared to deflect audit threats and defend against audit claims without the typical (and expensive) audit "fire drill".

SHI's SAM Workshop describes all of the infrastructure and processes necessary for the effective management, control, and protection of software assets throughout all stages of their lifecycle. The strategic goals of SAM include (but are not limited to) the following:

- Control cost and business risk for a stronger financial position
- Optimize existing software investments to enable you to do more with what you have.
- Help your organization become more agile by making better use of resources, even in changing business conditions.

SAM provides the following benefits to customers:

- Cost Savings: Lower costs associated with purchasing and maintaining a software library by capitalizing on vendors' overall buying power through single-volume license contracts.
- Risk Management: Control business and legal risks related to improper software deployment.
- SAM Advantage: Stay ahead of the competition through streamlined operations and faster time-to-market.
- Good Governance: Achieve and demonstrate compliance with your responsibilities under government legislation, such as Sarbanes-Oxley.
- Disaster Protection: Protect your company's valuable software assets in the event of unexpected adversity.

Whether the goal is streamlining the business of IT with innovative eProcurement, fulfillment, and IT asset management solutions; building hybrid data center and storage solutions; securing your growing diversity of data and assets; or building a truly collaborative digital workplace, SHI has your back at every stage of the technology lifecycle.

Scholastic Esports
SHI’s dedicated team of education and technical experts is taking over the scholastic esports space by helping high schools and colleges discover the power of esports and learn the intricacies of the industry. Integrating esports with STEM and CTE enables educators to create a curriculum that aligns with workforce sectors and industries to attract more students.

Scholastic esports (electronic sports) programs are revolutionizing student engagement. The goal of esports is to create high-quality, developmental experiences so students of all backgrounds and abilities can use this as a universal platform to grow socially, emotionally, and academically.

As innovative schools are accelerating their esports environments, this digital transformation is helping students engage in STEM and technology-focused activities, professional development, and school clubs and sports programs. However, the growth and popularity of scholastic esports represent new technology challenges for our customers to procure a successful platform and educational program.

To meet these needs, SHI has developed a team dedicated to esports, which handles everything from building out arenas to curriculum creation. Our objective is to enable schools to build effective and successful esports programs through:

- Professional training, development, curriculum, software (coaches and players)
- Esports tournaments (UGC)
- Grants support/procurement
- Selling esports equipment that reacts just as fast as you do!

These solutions can be customized to the specific needs of any given school through a comprehensive discovery and consulting process. SHI offers avenues of existing curriculum to use as your own, or expert advisors to help create your own or modify a pre-existing package of curriculum. SHI helps identify, plan, and build an esports program that’s right for each organization.

STEM/STEAM
STEM/STEAM technology includes products and/or tools related to supporting education in the fields of Science, Technology, Engineering, Art, and Mathematics. In this age of constantly emerging technology, educators have shifted to focusing on future readiness by helping students increase their digital literacy, driving innovation, and providing them with skills around critical thinking and problem solving, empowering their success so they will be ready to face the world’s challenges and

solve real-world problems. Here are some examples of STEM technology products:
- Robotics Kits used to teach principles of robotics and programming.
- 3D Printers used in engineering and design to create prototypes and models.
- Coding and Programming Tools: Software like Scratch, Python, and Arduino are used to teach programming and computational thinking.
- Drones and Quadcopters are used for research and education, such as studying weather patterns or learning about aviation and mechanics.
- Virtual Reality (VR) and Augmented Reality (AR) Equipment provide immersive learning experiences used in fields like design, architecture, and medicine.
- Mathematics Software like GeoGebra, Mathematica, and MatLab are used to study and visualize mathematical concepts.
- Educational Apps and Games designed to teach various STEM concepts in an interactive way.
- Electronic Kits teach electronics and circuitry.
- Maker Spaces Equipment includes various tools and materials for hands-on exploration, such as woodworking tools, sewing machines, laser cutters, etc.

Public Safety and Public Works Solutions
Public safety is not just a concern for police and emergency personnel, but also for cities, counties, schools, and universities. Our public sector sales teams support all of these entities and we offer the following solutions to address their day-to-day needs for communication, security, and safety.
- Security/Surveillance Cameras, Body-worn cameras, and related software.
- Rugged Notebooks and In-car Mounting Hardware
- Drones and Add-Ons for Drones; UAVs (Unmanned Aerial Vehicles)
- RFID Devices, Antennas, Receivers
- Physical locking solutions and portable security hardware
- Software Solutions: Gunshot Detection Software, Investigative Analytics and Interview Room Surveillance Software, Biometric Authentication Software, License Recognition/Reader Software and Mass Emergency Notification Systems

Smart City /Internet of Things (IoT) Solutions
Technology is ever evolving and growing, just as cities are constantly expanding and growing. From a combined evolution emerged “smart cities.” The goal of a smart city is to optimize city functions and promote economic growth while also improving the quality of life for citizens by using smart technologies and data analysis. SHI is here to help guide our customers to find the technologies that can help turn their vision of a smart city into a reality.

Smart cities use a variety of technologies including software, user interfaces, communication networks, the Internet of Things (IoT), the cloud, and data center technology to deliver connected solutions for the public. With SHI, our customers have access to multiple platforms, a variety of hardware for backup connectivity, and access to multiple vendors—including industry giants like AT&T, Verizon, T-Mobile, Cisco, Intel, and more. We support our offerings with access to vendor-neutral solution architects and engineers, dedicated solution support teams, OEM support teams, and external resources from our hardware and software partners. Together, we provide expert resources to understand your smart city needs and recommend solutions from networking connectivity and handheld devices to server storage and cloud options.

We understand that smart cities and IoT are the technology of the future which can impact and improve the lives of the communities we live in. No matter where you are in your smart city solutions journey, SHI can help you accomplish your technology goals leading us to a smarter tomorrow.

SHI continues to refine our product and service offerings to meet the dynamic needs of our customers in an ever-changing technology landscape. The breadth of SHI’s solution portfolio is extensive, and including all sub-categories here would be overwhelming. However, Sourcewell members can rest assured knowing SHI has the expertise and resources to facilitate the right solution for each member's unique environment.

Table 15A: Category 1 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
74	Computer hardware, including desktops, laptops, tablets, and related devices;	(•) Yes ( ) No	
75	Networking, server, and data storage equipment, including servers, server appliances, racks and cabinets, data storage or data protection devices, and switching technology;	(•) Yes ( ) No	
76	Peripherals, accessories, components, and options, including printers, scanners, monitors, audio visual, digital signage, virtual reality, Esports equipment, unified communication hardware, mobility hardware, cabling, modems, routers, switches, power management, and supplies;	(•) Yes ( ) No	
77	Software related to the purchase of the equipment described in Lines 74-76 above;	(•) Yes ( ) No	
78	Configuration, software implementation, hardware installation, support, assessment, training, and asset lifecycle services related to the purchase of the equipment or software described in Lines 74-77 above; and	(•) Yes ( ) No	
79	Security, cloud, network, data, IT asset lifecycle services, and solutions described in Categories 2 and 3.	(•) Yes ( ) No	

Table 15B: Category 1 - Industry Specific Questions

Table 15B: Industry Specific Questions relate to products and services offered in Category 1 (see Table 15A).

Line Item	Question	Response
80	Describe your capability to report Sourcewell member purchases of products with environmentally preferred attributes (e.g., eco-labeled, rated, or certified).	SHI has the capability to report on green-certified products and does so for numerous customers. SHI will work closely with members to identify and understand green reporting requirements.
81	Identify any reseller certification(s) (or similar third-party validation of technical expertise) that your organization has attained, if any.	Acer-Fully Authorized Globally Acronis-Platinum Partner Adobe-Adobe Platinum Reseller AirWatch-Premier Alteryx-DMR Partner (Distributor Managed Reseller) Altova-Elite APC-Elite Business Network Partner Apple-Corporate Reseller (Authorized 20+ years) Arbor-Premier Arcserve-Platinum Arctic Wolf-National Partner Arista Networks-Authorized Aruba Networks-Platinum Asus-Authorized Atlassian-Authorized Reseller Attachmate-Platinum Partner Autodesk-Volume Channel Partner (VCP) Avaya-Sapphire Reseller AWS (Amazon Web Services)-AWS Premier Consulting Partner; AWS Managed Services Partner Barco-Authorized Partner, Gold Barracuda-National Belkin-Authorized Partner BenQ-Silver BeyondTrust-Platinum Partner Bitdefender-Gold BitSight-Evangelist Partner Blackberry-Authorized

		Box-Premier Broadcom-Elite Brother-Authorized Partner C2G-Platinum Partner Canon-Authorized Partner Carbonite-Premier Partner CheckPoint-Three Star National Partner Cisco-Gold Partner Citrix-Platinum Partner Cleartouch-Highest Cohesity-Strategic National Partner Commvault-Market Builder - Top Tier Cradlepoint-Premier NSP CrowdStrike-Elite Partner CyberArk-Advanced Partner CyberPower-Elite Partner Cylance-Authorized Datawatch-Platinum Delinea-Authorized Reseller Dell-Dell EMC Titanium Black (Authorized 15+ years) D-Link-Gold Level Druva-Elite Partner DynaBook-Platinum Preferred Eaton-Authorized Partner Elastic-Professional Partner Entrust-Professional Partner Epson-Epson Business First Gold Partner Ergotron-Gold Erwin-Authorized ESET-Silver Exagrid-Authorized Reseller (Highest level) ExtraHop Networks-Gold Extreme Networks (ExtremeNetworks+Aerohive)-Diamond F5-Platinum Partner Facebook Oculus-Authorized Reseller Forcepoint-Titanium Partner Forescout-Platinum Fortinet-Expert Fujitsu-Authorized Partner GitLab-Select Partner Globalscape-Authorized Good Technology (Blackberry)-Authorized Google-Premiere Partner GoTo-Platinum Partner Hewlett Packard Enterprise-Platinum Partner Honeywell-NBR (National Broadline Reseller) HP, Inc.-Power Services Partner (Authorized 25+ years) HPE Aruba Networking Division-Platinum Partner IBM Hardware-Gold IBM Software-Gold Business Partner Infocus-National Partner Intel-Intel Partner Alliance Titanium Member IPSwitch-Titanium Ivanti-Platinum Jabra-Premier Partner JAMF-Gold Partner JetBrains-Authorized Juniper Networks-Juniper Elite KEMP-Authorized Kingston-Authorized Reseller Legrand (includesC2G, Chief, Da-Lite, Vaddio)-Authorized Partner Lenovo-IDG (Client) (NSP, National Solution Partner); ISG (Datacenter) (NSP/Platinum Partner) (Authorized 12+ years with Lenovo (IBM 20+)) Lexmark-Tier 1, Diamond Edge LG-Authorized Reseller Logic Monitor-Authorized Reseller Logitech-Authorized Partner LogMeIn-Authorized LogRhythm-Services Authorized Reseller (Highest Tier) Malwarebytes-Platinum Partner ManageEngine (Zoho)-Authorized Meraki-Gold MicroFocus-Platinum Partner Microsoft (Hardware)-Multi-National Authorized Device Reseller and Authorized Global Surface Reseller Microsoft (Software)-Authorized LSP, AER, SPLAR, MOSP and Government Integrator;

		GSA & DISO Authorized; Authorized Azure Expert MSP Mimecast-Elite Partner MobileIron-Iron Nasuni-Premier NetApp-Star Reseller Netgear -Reseller NetIQ (Micro Focus)-Platinum NetScout Systems (Arbor Networks)-Platinum Netwrix-Platinum Partner Nimble-Platinum Novell-Platinum Partner Nuance-Authorized Nutanix-Master Level Partner, Cloud Champion Nvidia-Elite (vPro, Quadro, Tesla), Preferred (DGX) OKTA-Elite Level Partner Open Gear-Premier Partner (Highest level), Elite OpenText-Authorized Reseller Oracle-Oracle Hardware & License Sell Track Partner, Global Platinum Paessler-Gold Partner Palo Alto Networks-Diamond Panasonic-Tier A Reseller Parallels-Premier PingIdentity-Platinum Partner Poly (Plantronics & Polycom)-Platinum Partner Progress Software (Kemp)-Titanium Authorized Partner Promethean-National Partner Proofpoint-Platinum Partner Pulse Secure-Authorized Pure Storage-Elite Partner Qualys-Supported Partner Quantum Storage-Premier Partner Quest-Platinum Plus Partner Rapid7-Gold Level Partner Raritan/ServerTech-Authorized Reseller Red Gate-Authorized RedHat-Red Hat Advanced Business Partner Ribbon Communications-Bronze Riverbed Technology-Elite Partner RSA-Titanium DMR Partner Rubrik-Elite Plus Partner Ruckus Wireless (CommScope)-Elite Partner Samsung-Client P4 Platinum Level Partner, Strategic Business Partner. For mobility - Blue Level SanDisk (Western Digital)-Gold SAP BusinessObjects-Silver, Large Account Scale Computing-Platinum SentinelOne-Platinum Partner Sharp – NEC-Authorized for Sharp Electronics Display Solutions SilverPeak-Platinum Level Smarsh-Hybrid Cloud & Emerging Partner SolarWinds-Elite Partner SonicWALL-Platinum Partner Sony-Gold Sophos-Sophos Select Partner Spectra Logic-Elite VAR Splunk-Premier Partner StarTech-Authorized Partner SunOracle-Platinum Supermicro-Tier-1 Diamond Suse-Platinum Level, Specialized in Sell and Manage Symantec-Premier Partner Synology-Authorized Reseller Tableau-DMR Partner Tanium-Partner Plus Targus Authorized TeamViewer-Authorized Reseller TechSmith-Preferred Partner Tenable-Platinum Reseller Thales-Platinum Tintri-Elite Partner Toshiba-Platinum Preferred Trellix-Platinum Partner TrendMicro-National Channel Partner TrippLite-Authorized Partner Tripwire -Platinum Partner Unitrends-Top Tier

		Varonis-Gold Partner Veeam-Platinum Partner Veritas-Platinum Partner Vertiv (Emerson, Liebert, Avocent)-Diamond Partner ViewSonic-Authorized Partner VMware-Corporate Reseller – Premier Level; Partner Professional Services – Enterprise Level; Aggregator – Premier Level Western Digital-Authorized Xerox-Authorized Partner, Gold Zebra-Authorized Partner / Specialist DMR Zoom-Performance Zscaler-Gold
82	Describe your maintenance solutions for software products, such as maintenance agreements, software upgrades, continuous updates, patches, and fixes.	Proactive Renewal Management SHI's Proactive Renewal Management (PRM) is a value-added service offered at no additional cost to Sourcewell's members. PRM is primarily supported by SHI's PRO Renewal Organizer (PRO) tool but also includes SHI's contract indexing tool, Fine Print, and other value-added services. For a fee, PRM includes ITAM services to help customers optimize their IT investments and achieve cost savings. It can be challenging for organizations to proactively track expiring IT assets, maintenance, and support agreements. With inconsistent renewal dates across manufacturers and/or products, some organizations rely on the publishers and manufacturers to provide renewal notifications, which can result in missed discount opportunities or unwanted renewals of software you no longer use. In response to our customers' growing needs around expiring software, warranties, support agreements, and product maintenance programs, SHI created the PRO tool. This PRO organizer tool compiles your technology renewals into a centralized, rolling, 36-month timeline for simplified budgeting and renewal management. Customers can access the tool via SHI.com, with 24/7/365 availability. By addressing renewals in advance, you have the option to employ SHI to negotiate with the vendor on your behalf in the following areas: • IT asset selection: If better IT assets are available, SHI will negotiate with vendors to procure the better assets for our customers. • Product equivalent: SHI works with vendors to find our customers the best replacement when a product becomes unavailable. • Better pricing: SHI has quoting and pricing processes to help our customers realize cost savings across IT spend. Where possible, we pass those savings along to our customers. • License agreements: SHI collaborates with vendors to ensure our customers receive the correct number of licenses, obtain the best deals, and have licenses for the correct period. SHI also helps customers manage EULAs. Optimizing Renewals The PRO tool stores a complete list of the hardware and software your organization uses and automatically notifies your SHI account team 90 days prior to expiration dates. Replacing products without a warranty can be costly. SHI's PRO tool can track a member's IT assets, and it can also track maintenance and support renewals. Maintenance renewals are typically for hardware maintenance but can extend to software. For hardware, there is usually a warranty or maintenance offering that can sold in tandem, or there may be a base-level option included on the initial purchase, which must be renewed after the initial coverage term ends. For software, members can purchase licenses for a specified period. When the license agreement expires, the agreement needs to be renewed to continue using the software. For software subscriptions, SHI's PRO tool can help you track your software and guarantee you only pay for the software you use. Outdated equipment and expired software licenses can slow your employees' productivity. Effectively managing your IT assets is not an easy job, but with SHI's PRO tool, you can eliminate wasted time by ensuring employees always have access to the right equipment and software. Audit Protection There are two major risks associated with the unauthorized use of software licenses. First, poor software asset management can result in security vulnerabilities. Second, organizations risk unknowingly committing copyright infringement when unauthorized users download multiple instances of the software. To manage risk, SHI's PRO tool closely tracks your software licenses and usage, preventing unauthorized users from installing software provided under a license agreement managed by SHI. Some organizations choose to or must undergo a

software licensing audit or software compliance audit.

By using SHI's PRO tool, your organization safeguards itself from liability.

How it Works
When new orders are entered into our system, your account team can pull the information into our PRO tool. The tool is designed to notify your account team 90 days prior to the software expiration date; however, 120 days prior to the expiration date, the renewal is assigned to the AE managing your account. Working closely with the member, SHI can learn when and how often they would like quotes sent and how many days prior to software expiration dates they prefer notification.

Your SHI account team then actively works with the customer's procurement team, IT department, or designated point of contact to review options. Regular follow-up continues until the purchase order is placed or the customer indicates that they are no longer interested in renewing the maintenance or support agreement.
When the customer receives an email containing a renewal reminder, they are given the following three options:
- Option 1: "Yes, please send me a quote."
- Option 2: "No, Thanks."
- Option 3: "I would like to schedule a meeting to discuss."

The renewal reminder also gives the following information about software renewal: software expiration date, software publisher, product, SKU, order date, purchase order number, invoice number, and invoice date.

If an IT asset was not purchased through SHI and the customer completes the PRO form to allow SHI to track the asset, SHI only receives the expiration date of the software, software publisher, product, and SKU.

The customer need only click on option 1, 2, or 3 to send a response back to their account team.

Through our PRO tool, we offer proactive management of maintenance, warranty, and support plans that save time and money. With the customer's permission, any products purchased from SHI—or elsewhere—with an expiration date of any kind can be loaded into your renewal organizer. SHI does not see prices for IT assets purchased outside of SHI.

Quotes
In addition to renewals, the PRO tool tracks quotes. At any time, a customer can log in to their SHI.com portal and view their quotes. We keep a complete database of all quotes; however, SHI does not have access to any quotes provided by other resellers because quotes include pricing information.

Sometimes, upon renewal, vendors require a new quote altogether. Our system notifies us of vendor preferences and gives SHI the opportunity to negotiate with vendors on your behalf. This eliminates any additional work on your end. SHI does the work for you, collaborating and negotiating with vendors to provide quotes that best meet your needs.

PRO Timeline
The PRO Timeline is an interactive tool that displays upcoming renewals for the customer's OEMs.
- Users can click the reporting icon to run an in-depth report on the PRO Renewals. Reports can be exported and emailed to a co-worker as well.
- Users can also view a history of the original order.

Through the renewal timeline, SHI provides visibility and clarity around renewals for your organization, complementing the workflow of your own software and hardware renewal lifecycle efforts. These efficiencies support our customers' existing operating processes, and in some instances, SHI's PRM service even replaces or fills a void in our customers' existing workflows.

Benefits of PRO
In addition to the timeline, our PRO platform has several built-in dashboards and reports to facilitate ease of use. Additionally, you can click on the PRO Renewal Timeline to view more details. If you need to share the timeline within your organization, the timeline can be exported into Excel.

Moving Renewal Management to SHI
We have extensive experience onboarding new customers and importing their license data for future reporting and renewals. SHI onboards hundreds of new customers every year, and the process for onboarding will vary depending on the size, scope, and licensing needs of the customer. SHI's account team collaborates directly with the customer and software publishers to identify and gather necessary information on each

		licensing program and agreement. Once we receive the contract information, we populate our PRO tool database and grant your organization access. To minimize hassle, your account team and our software licensing experts work with you to complete and submit the necessary change of reseller form or process. The PRO Authorization form permits SHI to pull licensing history from manufacturers and publishers, including anything purchased elsewhere. The form provides the licensing type, quantity, coverage terms, and entitlement or agreement numbers, but does not give SHI access to previous pricing. The sole purpose of the PRO Authorization form is to help SHI better track your purchases so that we can better support your organization in the future. Just like the PRO Renewal Management service—the PRO Authorization form is optional for customers to complete. Sustained Value-added Benefit SHI's Proactive Renewal Management is a free value-added service for all our customers. The PRO tool gives your organization peace of mind, proactively managing maintenance, warranty, and support plans. With products purchased through SHI automatically loaded into your renewal organizer and quotes automatically sent to you 90 days before the expiration of the service, you can rest assured that SHI keeps track of your software assets. Speak with your account team to find out how to maximize the benefits of Proactive Renewal Management for your organization. Product security patches/fixes and updates for third-party products SHI resells are the responsibility of the manufacturer.
83	Describe your website and the ease-of-use for customers, including order placement, payment, order tracking, etc.	SHI.com is SHI's single-source procurement platform available to all SHI customers. With over 470,000 products available, our platform offers the latest functionality in a user-friendly interface. From the comfort of the office, members can access the most recent catalog features, customization options, approval routing, workflow, reporting, order status, and our PRO Renewal Organizer (PRO) Timeline. SHI's procurement platform provides an efficient and intuitive way to access your customized catalog of products and procure any of those products at any time. SHI.com's business-to-business functionality includes innovative custom catalog capabilities that provide personalized views of product information and enable you to find and compare SHI's products, view key metrics (like frequently viewed products and contract or standard items), and simplify purchasing. Access Each authorized user within an organization has a username and password that automatically links them to the approved customer catalog with your contracted pricing. A manager with employee admin permissions can create and disable user accounts. The platform is designed to support self-service functions, including registering new users — of which there is no limit. As an IT company, we take privacy and security seriously. Your information will not be shared with software publishers or third parties without explicit permission. Search Features Customers can easily find products using our intuitive search functionality. You can select up to five products to compare item features side-by-side. In the product details of a viewed item, you can also add an item to your favorites list. SHI delivers a differentiated customer experience that simplifies purchasing, encourages repeat business, and boasts key metrics like frequently viewed products, contracts, or standard items. Our catalog is updated daily with the latest information from our partners. SHI.com shows product availability, and if the stock is not currently available, the catalog displays an ETA for quantity and time frame for restocking. If the product in question is out of stock, SHI recommends engaging your dedicated SHI account team for further assistance. We may be able to recommend an alternative option that is currently available. For products not listed in the catalog, your sales representatives have the ability to upload a tailored quote to the website. This quotation can be conveniently added to the shopping cart to streamline the ordering process, eliminating the requirement for a separate non-catalog buying procedure. Order Placement SHI provides an easy-to-use Checkout Process that can also be customized to your specifications: • Users can save addresses to an address book to easily select the appropriate ship-to address. • Custom Data Collection—we will create fields to collect the information you need about the purchases your employees make (department, project code, cost center, and so on).

		• For our Terms Customers—enter a PO number and for our Credit Card Customers—use the security of PayPal to complete your purchase. • See the freight based on the shipping address entered. Some customers require that additional information be captured with each hardware purchase. Therefore, SHI has designed an “interview page” to collect pertinent information. Order Tracking SHI.com provides a wide range of search options to quickly locate and view order statuses, tracking information, serial numbers, and invoices. Returns Our return process is simple. To request a return, contact your dedicated sales team, via email, phone, or through the “Request Return Authorization Number” section on the SHI.com website. Your Inside Account Manager will then provide you with a return authorization (RMA) number and a shipping label. With the RMA number clearly included on the shipping label, the customer then ships their return to SHI, and we process the return. In some cases, to expedite a return, SHI will arrange to have the product picked up directly. Once the return has been fully processed, SHI will credit the customer’s invoice. In addition, we send out replacement orders before receiving returns to expedite the process for the customer. More information and details are available at SHI’s Return policy. Approval Routing Only authorized users within your organization can submit orders on SHI.com. However, many of our Public Sector customers allow their employees to request products, but not place orders. To accommodate ordering for those employees, SHI provides approval routing through SHI.com. With support for as many levels as your organization requires, requisitions are forwarded to the appropriate people for approval. Once an order is approved, the requestor (and anyone else listed to receive notices) will receive an email confirming approval; the order will then be uploaded into SHI’s internal order processing system. Reporting The ability to run real-time reports on SHI.com is based on permissions assigned to the usernames; so only authorized users within the organization can run reports. Your SHI account team can also run reports and set up email delivery directly to you. All reports can be set up on a subscription basis and delivered automatically daily, weekly, quarterly, or in whatever frequency you choose. Business intelligence (BI) data is refreshed hourly from our ERP system where the order and invoice data are captured. Data is up to date in BI within one to two hours of when the order is invoiced in our ERP system. Customization SHI adds relevant content to the website regularly and offers tremendous customization. On your SHI.com homepage, we can display your logo, welcome messaging, highlight featured products and company standards. Also, the News and Announcement section can provide pertinent product announcements, end-of-life information, support information, promotions, webinars or unique event invitations, and other industry news that may be of interest to your organization. SHI will notify your procurement team of any information before it gets posted. Communication with your Account Executive will enable blanket purchase orders to be built into our internal AX application and customized messages to be displayed on the website. Additional customization includes: • Set up users by groups: Purchasers, IT Department, Accounting. • Custom Checkout and Pre-loaded address list. • Setup basic Approval Routing. • Create custom product configurations. Training To better help your organization use the many features SHI.com has to offer, SHI's ecommerce specialists provide training to employees authorized to access Your Home @ SHI.com. We will work with Sourcewell to determine the training program and schedule that works best for you.

Table 16A: Category 2 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
84	Cybersecurity services, such as cyber risk assessments, program strategy and operations, zero trust, skills and training, penetration testing, threat and vulnerability management, content security, network visibility and endpoint detection, log aggregation and correlation, disaster response and recovery, and managed cybersecurity;	(•) Yes ( ) No	These services are included as part of SHI's entire catalog of products and services offered as part of Category 1 for this contract.
85	Physical security services, such as site assessment, upgrade planning and execution design, installation, integration, access control, video management, and managed physical security services;	(•) Yes ( ) No	These services are included as part of SHI's entire catalog of products and services offered as part of Category 1 for this contract.
86	Cloud, such as Infrastructure as a Service (IaaS), Platform as a Service (PaaS), Software as a Service (SaaS), and strategy, design, migration, deployment, and managed cloud solutions;	(•) Yes ( ) No	These services are included as part of SHI's entire catalog of products and services offered as part of Category 1 for this contract.
87	Network, such as maintenance and monitoring, edge computing, SD-WAN and LAN, and data center networking;	(•) Yes ( ) No	These services are included as part of SHI's entire catalog of products and services offered as part of Category 1 for this contract.
88	Data, such as data modernization, data backup, data and document processing and storage, and assessment, validation, production, and management of AI and machine learning solutions; and	(•) Yes ( ) No	These products and services are included as part of SHI's entire catalog of products and services offered as part of Category 1 for this contract.
89	Related solutions, such as endpoint security products, network security technologies, identity and access management technologies, security analytics, data security products, IP video monitoring systems, intelligent controllers, mission control systems, electronic locks, network infrastructure, and server room technology.	(•) Yes ( ) No	These products are included as part of SHI's entire catalog of products and services offered as part of Category 1 for this contract.

Table 16B: Category 2 - Industry Specific Questions

Table 16B: Industry Specific Questions relate to products and services offered in Category 2 (see Table 16A).

Line Item	Question	Response
90	Describe how you help organizations with their zero-trust programs, if applicable.	SHI's security experts help customers understand the components of a Zero Trust program, how they fit together, and what technologies support it, and then help them select those technologies based on deep technical proficiency. Zero Trust assessments cover the customer's entire environment from their end-users, devices, networks, and applications to data. Benefits of a Zero Trust program: • Improve overall security posture • Improve end-user experience and productivity • Transform the way security teams work together • Simplify the security stack • Optimized security costs

91	Describe how you deliver cybersecurity solutions in accordance with the National Institute of Standards and Technology (NIST) framework, if applicable.	SHI Security Solution Architects (SSA) are responsible for the delivery of security practice-specific project-based client engagements. The SSA evaluates client business and technical requirements and develops enterprise-wide critical security control-based solutions. With an average of 8-20 years of industry experience, the SSAs serve in different roles within organizations and have acquired a diverse security background formulated from business verticals such as financial, automotive, insurance, life science, technology, and public sector establishments. Our SSA team members' expertise includes policy and procedural development aligned with industry frameworks and supporting industry compliance regulations such as, but not limited to, ISO 27001, NIST/FISMA, HIPAA, CJIS, and PCI standards. Delivery formats provided as a part of our engagement strategy include security workshops, architecture rationalization capability, and recommendation and roadmap development. Team members hold an average of two to five certifications, such as, but not limited, to: • Certified Information Security Manager/Auditor (CISM/CISA) • SANS Global Information Assurance Certification (GIAC; GSEC; GCIH; GICSP; GPEN) • Certified Information Systems Security Professional (CISSP) • Certified Ethical Hacker (CEH) • Information Technology Infrastructure Library (ITIL v3) • Certified Cloud Security Professional (CCSP) • Over 100 Industry Partner Certifications including but not limited to: CISCO (CCIE); (CCNP); Palo Alto (PCNSE); Fortinet (NSE) Checkpoint (CCSE) and many others. SHI will also assign a Project Manager (PM) to manage the overall delivery of each project. Our qualified Project Managers cover all aspects of formal project management, from the "initiating" phase through "closing". Please see attachment titled "SHI Technical Certifications."
92	Please list any certifications or testing results you or your partner(s) hold which show security posture in your proposed solutions, if applicable.	Please see attachment titled "SHI Technical Certifications."
93	Describe how you deliver cloud solutions in accordance with the NIST definition of cloud computing, if applicable.	SHI's cloud support services provide insight into your cloud environment, allowing us to make tangible recommendations that benefit your organization. We can help identify overprovisioned or dormant resources, analyze historical usage to determine more favorable pricing models, and provide ongoing monitoring to ensure you stay on track with a secure, cost-efficient, and optimized cloud environment. Our certified solutions architects and technical consultants combine their expertise to deliver services that optimize the business and IT benefits of public, private, and hybrid cloud technologies. Our support services include: • Cloud Platform(s) Service Onboarding: Cloud adoption starts with onboarding into one or more cloud platforms. We have standardized our approach to determine available cloud functionality and overcome billing and security challenges while guiding best practices. • Net Terms Billing: Organizations need flexible payment terms to consider their financial options, including capital expenditure (CAPEX) vs. operational expenditure (OPEX) financial models, extended net term billing and financing opportunities, account consolidation, financial chargebacks, and pricing program assistance. SHI collaborates with you to understand your billing requirements and provides a variety of billing options that fit your specific needs. • Reporting and Analytics: Capturing your organization's cloud costs and usage allows us to facilitate meaningful business decisions crucial for productivity. We will assess your metadata for multiple cloud platforms into a consolidated view and provide a guided analysis based on years of consulting experience helping clients implement cloud solutions. • Always Available Support: When you have a critical issue, you must trust that you can count on world-class customer support for your cloud solution. Our cloud support team of certified cloud account managers, cloud solution architects, and our 24x7 Cloud Service Desk is available to provide technical support throughout your cloud journey. • Cloud Spend Optimization: Cloud costs do not have to be unpredictable and difficult to manage. We provide proactive guidance based on your cloud usage and growth plans to help you reduce costs and optimize your cloud infrastructure. • Advisory Services: Whether you are in the process of evaluating your cloud strategy or need in-depth architectural support, we have the vision, technical expertise, and range of services to guide you. • Volume Licensing Expertise: We can help you move your licenses to the cloud, select the right buying programs, maintain licensing compliance, and limit the risk of audits. Our licensing experts will identify, monitor, and optimize your software assets to

ensure you receive the most value in your IT investment.

SHI support services and managed services are broken down into four categories – migrate, optimize, modernize, and manage—and no matter what stage you are in your cloud journey, SHI's cloud-certified experts can help you accomplish your goals.

Migrate
Cloud-based solutions have changed the dynamics of pre-sales, acquisition, and ongoing IT management. To keep up with growing demand and emerging technology, SHI has developed processes and support to address cloud consumption-based models, and we have resources dedicated to emerging partners to help our customers realize their single-cloud, multi-cloud, or hybrid-cloud strategy faster and more cost-effectively. SHI offers the following services for cloud migration:
- Assessments: Understand the costs of moving to public cloud for server infrastructure and licensing.
- Landing Zones: A solid foundation built within the cloud, using code as infrastructure.
- Lift and Shift Migration: Helps customers migrate to the cloud quickly and easily, by taking existing virtual infrastructure and moving it to the cloud with minimal modifications.
- Data Center Evacuation: Enables organizations to rapidly evacuate data, migrating to cloud infrastructure.

Optimize
SHI offers a selection of cloud optimization services ranging from a high-level summary of potential savings to a managed service. These services enable organizations to improve cloud governance as well as identify and remediate cloud waste to save between 30 and 50 percent of their cloud spend. SHI provides the following services and benefits as a support or a managed service:
- Summary of potential savings
- Access to optimization platform
- Technical support for optimization platform
- Management of reserved instances
- Management of savings plans
- Regular meetings to review optimization recommendations
- Custom reporting
- Technical guidance on application refactoring to reduce cost (managed only)
- Implementation of recommendations (managed only)

*Frequency of cadence meetings and level of customization depend on the monthly consumption.

Modernize
SHI helps customers modernize cloud infrastructure through automation, DevOps, refactoring, and re-platforming. Our process begins with a discovery of your people, process, and technology and includes the following services for cloud modernization:
- Cloud Architecture Reviews: Align your organizational priorities when building secure software from the ground up. Identify and highlight all security weaknesses or critical issues in your applications.
- Automation: Work within the confines of instructions, tools, and frameworks to carry out tasks with little to no human intervention.
- Containers/Kubernetes: Decouple applications from underlying host infrastructure using a ready-to-run software package, containing everything needed to run an application: the code and any runtime required, application and system libraries, and default values for essential settings. This makes deployment easier in different cloud environments.
- DevOps: Combine development and operation to increase the efficiency, speed, and security of software development and delivery compared to traditional processes.
- Re-factor and Re-platform: Modify applications or migrate to an alternate platform to better support cloud-based operations.

Manage
SHI helps organizations monitor, secure, and manage their cloud environment, allowing customers more time to focus on innovation and business objectives. SHI can manage patching, monitoring, and uptime, providing consistent support in the case of employee turnover. This solves the knowledge gap as skillsets evolve into cloud operations and provides cost savings compared to direct vendor support. Organizations can expect a named technical account manager (TAM), 24/7 support, and incident and service request management.

94	Describe which deployment methods you provide cloud-based services (e.g., private cloud, community cloud, public cloud, or hybrid cloud), if applicable.	No matter where you are in your cloud journey, from your first venture into the cloud to optimizing or refactoring existing applications, SHI's cloud experts can help make your cloud strategy smarter, more agile, and better value for money. SHI's cloud practice provides customers with infrastructure from major Cloud Service Providers (CSPs)—Microsoft Azure, Amazon Web Service (AWS), and Google Cloud Platform (GCP)—utilizing a wide range of configurations, including private, on-premises, public, hybrid, and multi-cloud. In addition, we can offer end-to-end consulting services to help you assess, design, build, migrate, optimize, modernize, and manage your cloud environment. With this combination of products, partnerships, support, and expertise, we are confident we can help Sourcewell members drive positive business outcomes as they work to streamline their cloud configuration. Partnering with SHI can help modernize data center and cloud architecture, connect and collaborate with your workforce, secure your environment, and optimize your procurement processes.

Table 17A: Category 3 - Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
95	IT Asset Management Services, including hardware and software asset management, software as a service management, audit management, maturity assessments, sustainability solutions, and repair and maintenance;	(•) Yes ( ) No	These services are included as part of SHI's full catalog of services offered under Category 1 for this contract.
96	IT datacenter decommissioning, including planning and valuation, data shredding, de-racking, de-cabling, de-powering, and packing; and,	(•) Yes ( ) No	These services are included as part of SHI's full catalog of services offered under Category 1 for this contract.
97	IT Asset Disposal and Retirement Services, including secure data destruction, serialization, asset value recovery, recycling, remarketing, refurbishing, onsite collection, and ESG reporting.	(•) Yes ( ) No	These services are included as part of SHI's full catalog of services offered under Category 1 for this contract.

Table 178: Category 3 - Industry Specific Questions

Table 178: Industry Specific Questions relate to products and services offered in Category 3 (see Table 17A).

Line Item	Question	Response
98	Please list any certifications your company or your delivery partner(s) hold which are relevant to IT Asset Lifecycle Services, such as R2v3, e-Stewards, NAID AAA, ISO 9001, ISO 14001, ISO 45001, and ITAM Forum.	Specific to our ITAD (IT Asset Destruction/Disposal), SHI has the following compliance certifications: • ISO 45001 Health and Safety • E-Stewards • ISO 14001 • ISO 27001 • R2 2013 Responsible Recycling SHI is International Organization for Standardization (ISO) compliant. SHI currently holds the following ISO certifications: • Current registration to the ISO9001:2015 standard • Original registration effective on February 8, 2012 • Current registration expiration on February 4, 2024 Departments in the scope: • Warehouse (receiving, picking, packing, shipping) • Configuration Center • IT data storage, back-up, and recovery • Returns • Purchasing As an ISO 9001:2015 registered company (except for design), SHI commits to maintaining our customers as the center of our business, understanding our customers' requirements, and meeting and exceeding those requirements in delivering configurable hardware products. SHI brings broad knowledge based on our customer and partner experiences and our desire to drive constant improvements across SHI to continue to deliver the excellence in execution required by our customers.
99	Please indicate the standards to which hard drives are wiped, such as the Department of Defense or NIST standard 800-88.	SHI, along with our partner network, can perform Three Pass Data Erasure that is DoD or NIST standard 800-88 compliant depending on the customer requirements. We also provide asset recovery/remarking, hard drive destruction (HDD) shredding, certificates of destruction, EPA-compliant asset disposal, chain of custody reporting, and hardware redeployment.

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding

to. For example, if responding to the Marketing Plan category save the document as “Marketing Plan.”

- Financial Strength and Stability - SHI Response- Sourcewell Financial information.pdf - Wednesday December 13, 2023 18:22:52
- Marketing Plan/Samples - SHI Marketing Samples.zip - Thursday December 14, 2023 09:30:41
- WMBE/MBE/SBE or Related Certificates - SHI Response- Sourcwell MWBE.pdf - Thursday December 14, 2023 12:24:09
- Warranty Information (optional)
- Standard Transaction Document Samples - SHI Response- Sourcewell Standard Transaction Document Samples.zip - Monday December 18, 2023 10:32:32
- Requested Exceptions - RFP_121923_Technology_Products_Contract_Template (12.18.23).docx - Monday December 18, 2023 15:58:06
- Upload Additional Document - SHI Response- Additional Documents.zip - Monday December 18, 2023 16:22:15
- Pricing - Category 1 - SHI Sourcewell Pricing 121923.pdf - Monday December 18, 2023 10:09:12
- Pricing - Category 2 (optional)
- Pricing - Category 3 (optional)

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.

3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.

5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.

6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.

7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.

8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.

9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

11. Proposer its employees, agents, and subcontractors are not:
    1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;

    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or

    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Maya Lynch, Proposal Specialist, SHI International Corp.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_17_Technology_Products_and_Services Tue December 12 2023 03:16 PM	☑	6
Addendum_16_Technology_Products_and_Services Thu December 7 2023 03:22 PM	☑	1
Addendum_15_Technology_Products_and_Services Wed December 6 2023 04:12 PM	☑	4
Addendum_14_Technology_Products_and_Services Tue December 5 2023 07:50 AM	☑	2
Addendum_13_Technology_Products_and_Services Fri December 1 2023 01:49 PM	☑	3
Addendum_12_Technology_Products_and_Services Thu November 30 2023 02:56 PM	☑	2
Addendum_11_Technology_Products_and_Services Tue November 28 2023 02:59 PM	☑	1
Addendum_10_Technology_Products_and_Services Mon November 27 2023 02:37 PM	☑	3
Addendum_9_Technology_Products_and_Services Wed November 22 2023 09:01 AM	☑	1
Addendum_8_Technology_Products_and_Services Mon November 20 2023 04:30 PM	☑	2
Addendum_7_Technology_Products_and_Services Wed November 15 2023 03:37 PM	☑	4
Addendum_6_Technology_Products_and_Services Thu November 9 2023 03:02 PM	☑	2
Addendum_5_Technology_Products_and_Services Wed November 8 2023 03:28 PM	☑	2
Addendum_4_Technology_Products_and_Services Tue November 7 2023 02:33 PM	☑	3
Addendum_3_Technology_Products_and_Services Fri November 3 2023 02:06 PM	☑	2
Addendum_2_Technology_Products_and_Services Thu November 2 2023 03:08 PM	☑	1
Addendum_1_Technology_Products_and_Services Tue October 31 2023 03:29 PM	☑	1

County of Monterey

Board Report

Legistar File Number: A 25-358

Item No.34

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/13/2025

Current Status: General Government - Consent

Version: 1

Matter Type: BoS Agreement

Authorize the Contracts & Procurement Officer or their designee to execute Amendment No. 2 to Agreement No. A-14550 with K&H Printers-Lithographers, Inc., to continue providing ballot and critical election material printing and mailing services for two (2) additional years (October 1, 2025 through September 30, 2027) for a revised full agreement term from November 5, 2019 through September 30, 2027 and adding $3,800,000 for an aggregate amount not to exceed $13,400,000.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
Authorize the Contracts & Procurement Officer or their designee to execute Amendment No. 2 to Agreement No. A-14550 with K&H Printers-Lithographers, Inc., to continue providing ballot and critical election material printing and mailing services for two (2) additional years (October 1, 2025 through September 30, 2027) for a revised full agreement term from November 5, 2019 through September 30, 2027 and adding $3,800,000 for an aggregate amount not to exceed $13,400,000.

SUMMARY/DISCUSSION:
Approval of the recommended actions will enable the Department to print and mail ballots and other critical election mailings to over 219,000 registered voters in Monterey County for a possible November statewide special election, the June 2026 Primary Election and the November 2026 General Election. The term of the agreement will extend from October 1, 2025, through September 30, 2027, for a new total contract amount not to exceed $13,400,000.

As part of the election administration process, the Department will closely monitor that the services provided meet County requirements outlined in the scope of work in Agreement No. A-14550. These requirements include product proofs, design layouts, assembly of packets, adherence to delivery schedules and the implementation of contingencies as specified in the Agreement.

Copies of the Agreement are on file with the Clerk of the Board.

OTHER AGENCY INVOLVEMENT:
The requested Amendment No. 2 has been reviewed and approved by County Counsel as to form.

FINANCING:
Funding for this agreement is included in the Department's FY 2025-26 budget for the June 2026 Primary Election. However, should a statewide special election be called this November, the County General Fund will incur additional costs in the current fiscal year. In that event, Elections will return to the Board of Supervisors to request additional funding to support the associated operational requirements to conduct a special statewide election. Future requested budgets will include funding for this agreement for all scheduled elections.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
The services provided pursuant to this agreement will enable voters to receive ballots and other election related materials to exercise their right to vote and make informed voting decisions.

Mark a check to the related Board of Supervisors Strategic Plan Goals:
____ Well-Being and Quality of Life
X Sustainable Infrastructure for the Present and Future
____ Safe and Resilient Communities
____ Diverse and Thriving Economy
____ Dynamic Organization and Employer of Choice

Prepared by: Mary Kikuchi, Management Analyst II, Ext. 1491
Approved by: Gina Martinez, Registrar of Voters, Ext. 1499

Attachments:
Exhibit A - Amendment 2
Exhibit B - Amendment 1
Exhibit C - Agreement No. A-14550

County of Monterey

Board Report

Legistar File Number: A 25-358

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/13/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

Authorize the Contracts & Procurement Officer or their designee to execute Amendment No. 2 to Agreement No. A-14550 with K&H Printers-Lithographers, Inc., to continue providing ballot and critical election material printing and mailing services for two (2) additional years (October 1, 2025 through September 30, 2027) for a revised full agreement term from November 5, 2019 through September 30, 2027 and adding $3,800,000 for an aggregate amount not to exceed $13,400,000.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
Authorize the Contracts & Procurement Officer or their designee to execute Amendment No. 2 to Agreement No. A-14550 with K&H Printers-Lithographers, Inc., to continue providing ballot and critical election material printing and mailing services for two (2) additional years (October 1, 2025 through September 30, 2027) for a revised full agreement term from November 5, 2019 through September 30, 2027 and adding $3,800,000 for an aggregate amount not to exceed $13,400,000.

SUMMARY/DISCUSSION:
Approval of the recommended actions will enable the Department to print and mail ballots and other critical election mailings to over 219,000 registered voters in Monterey County for a possible November statewide special election, the June 2026 Primary Election and the November 2026 General Election. The term of the agreement will extend from October 1, 2025, through September 30, 2027, for a new total contract amount not to exceed $13,400,000.

As part of the election administration process, the Department will closely monitor that the services provided meet County requirements outlined in the scope of work in Agreement No. A-14550. These requirements include product proofs, design layouts, assembly of packets, adherence to delivery schedules and the implementation of contingencies as specified in the Agreement.

Copies of the Agreement are on file with the Clerk of the Board.

OTHER AGENCY INVOLVEMENT:
The requested Amendment No. 2 has been reviewed and approved by County Counsel as to form.

FINANCING:
Funding for this agreement is included in the Department's FY 2025-26 budget for the June 2026 Primary Election. However, should a statewide special election be called this November, the County General Fund will incur additional costs in the current fiscal year. In that event, Elections will return to the Board of Supervisors to request additional funding to support the associated operational requirements to conduct a special statewide election. Future requested budgets will include funding for this agreement for all scheduled elections.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
The services provided pursuant to this agreement will enable voters to receive ballots and other election related materials to exercise their right to vote and make informed voting decisions.

Mark a check to the related Board of Supervisors Strategic Plan Goals:
____ Well-Being and Quality of Life
X Sustainable Infrastructure for the Present and Future
____ Safe and Resilient Communities
____ Diverse and Thriving Economy
____ Dynamic Organization and Employer of Choice

Prepared by: Mary Kikuchi, Management Analyst II, Ext. 1491
Approved by: Gina Martinez, Registrar of Voters, Ext. 1499

Attachments:
Exhibit A - Amendment 2
Exhibit B - Amendment 1
Exhibit C - Agreement No. A-14550

AMENDMENT No.2 TO AGREEMENT BY AND BETWEEN COUNTY OF MONTEREY AND K&H PRINTERS-LITHOGRAPHERS INC.

THIS AMENDMENT is made to the AGREEMENT for official ballot printing and mailing services by and between **K&H PRINTERS-LITHOGRAPHERS INC,** hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County".

WHEREAS, the County and CONTRACTOR entered into an AGREEMENT for the CONTRACTOR to provide County with official ballot printing and mailing services with a term of 11/5/2019 to 9/30/2023 and total aggregate not to exceed amount of $6,000,000; and,

WHEREAS, the County and CONTRACTOR amended the Agreement to extend the term two (2) additional years through September 30, 2025 and increase the amount by $3,600,000 for a total amount not to exceed of $9,600,000;

WHEREAS, the County and CONTRACTOR wish to amend the AGREEMENT to extend the term two (2) additional years through September 30, 2027 and increase the amount of the Agreement by $3,800,000 due to the term extension, for a total not to exceed amount of $13,400,000 to allow CONTRACTOR to continue to provide services.

NOW THEREFORE, County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. Section 2., "PAYMENTS BY THE COUNTY" shall be amended to the following: "The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of $9,600,000" and replacing it with "The total amount payable by County to CONTRACTOR under this AGREEMENT shall not exceed $13,400,000."

2. Paragraph 3, "TERM OF AGREEMENT", shall be amended by removing, "The term of this Agreement is from 11/5/2019 to 9/30/2025 unless sooner terminated pursuant to the terms of this Agreement", and replacing it with "The term of this Agreement is 11/5/2019 to 9/30/2027 unless sooner terminated pursuant to the terms of this Agreement".

3. EXHIBIT B – PRICING SCHEDULE shall be amended by adding several additional services as per EXHIBIT B1 Revised-PRICING SCHEDULE per AMENDMENT attached hereto.

4. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.

5. A copy of this AMENDMENT shall be attached to the original AGREEMENT dated December 5, 2019.

IN WITNESS WHEREOF, the parties have executed this AMENDMENT on the day and year written below.

MONTEREY COUNTY

Contracts/Purchasing Officer

Dated:

Approved as to Fiscal Provisions:

Deputy Auditor/Controller

Dated:

Approved as to Liability Provisions:

Risk Management

Dated:

Approved as to Form:

County Counsel

Dated:

CONTRACTOR

By: R Jul

Signature of Chair, President, or Vice-President

Brad Moorhouse General Manager/ V.P. of Operations

Printed Name and Title

Dated: 8/12/2025

By: Linda Crawford

(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)*

Linda Crawford CFO

Printed Name and Title

Dated: 8/12/25

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

EXHIBIT B1 Revised-PRICING SCHEDULE

All Pricing FOB Destination

BALLOT PRINTING, PROCESSING, ASSEMBLY & MAILING (Per 1,000 ballots):

Type of Charge	Cost
Printing	$330
Processing, Assembly, Mailing	$310
Multi-card surcharge	$100
Subsequent extract surcharge	$100

*Prices include administration, set up charges and plates
*Prices are per 1,000 ballots, single or double sided, regardless of number of columns on page
*Prices are fixed regardless of size of election and total final quantity printed

COLOR ENVELOPE SET UP (Per version):

Type of Service	Cost
Pre-press	$0
Process files/plates	$0 *

**$2,000 per envelope type; 2 versions included per type; $475 per version after 2 types*

COLOR ENVELOPE PRINTING & PROCESSING COSTS (Per 1,000 envelopes):

Q	1 to 10,000	10,001 to 50,000	50,001 to 100,000	Over 100,000
Return**	$156.88 per m +Peel/Seal $511.86 per m	$156.88 per m +Peel/Seal $171.01 per m	$156.88 per m +Peel/Seal $92.45 per m	$156.88 per m +Peel/Seal $83.57 per m
Outer	$103.88 per m	$103.88 per m	$103.88 per m	$103.88 per m

*Special items: MILOS booklets are quoted at time of order
*"I Voted by Mail" stickers are quoted at time of order
*Letter & Ledger size inserts are quoted at time of order.
**Peel/Seal Set-up for Peel / Seal $500.00*
***Pricing if over 250,000 is + $82.42 per m*

VOTER GUIDE SET UP & PROCESSING (Each):

Type of Charge	Cost
Set up inside page	Included
Set up color cover	Included
Set up VIG type	$600.00
Candidate statement (English)	Included
Candidate statement (Spanish)	Included
Line change request	Included
New page request	Included

VOTER GUIDE PRINTING, BINDING, ASSEMBLY & MAILING COSTS:

Number of inside pages per booklet	<10	12-16	18-24	26-36	38-50	52-68	70-90
Per 1,000 booklets	8pg - $603; 16pg - $891; 24pg - $1,179 - 32pg - $1,467; 40pg - $1,755; 48pg - $2,043; 56pg - $2,331; 64pg – $2,619; 72pg - $2,907; 80pg - $3,195; 88pg - $3,483; 96pg - $3,771.						

*Prices based on 8pg increments and include processing, sorting, labeling, packaging and delivering to post office

OTHER COSTS ASSOCIATED WITH VOTER INFORMATION GUIDES:

Type of Charge	Unit	Cost
Software Support	per hour	Included
Translation	per word	Supplied

Daily Subsequents Processed per each - $250.00
Subsequent Extract Breakout Fee per Ballot Type - $25.00

DocuSign Envelope ID: 53DE2FD4-4F9A-4B82-A878-D7C834EDEE58

Exhibit B

982

AMENDMENT No.1 TO AGREEMENT BY AND BETWEEN COUNTY OF MONTEREY AND K&H PRINTERS-LITHOGRAPHERS INC.

THIS AMENDMENT is made to the AGREEMENT for official ballot printing and mailing services by and between **K&H PRINTERS-LITHOGRAPHERS INC,** hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County".

WHEREAS, the County and CONTRACTOR entered into an AGREEMENT for the CONTRACTOR to provide County with official ballot printing and mailing services with a term of **11/5/2019 to 9/30/2023** and total aggregate not to exceed amount of $6,000,000; and,

WHEREAS, the County and CONTRACTOR wish to amend the Agreement to extend the term two (2) additional years through September 30, 2025; and

WHEREAS, the County and CONTRACTOR wish to amend the AGREEMENT to increase the amount of the Agreement by **$3,600,000** due to the updated services fees and the term extension, for a total not to exceed amount of **$9,600,000.**

NOW THEREFORE, County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. Section 2., "**PAYMENTS BY THE COUNTY" shall be amended by removing**, "The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of **$6,000,000**" **and replacing it with** "The total amount payable by County to CONTRACTOR under this AGREEMENT shall not exceed **$9,600,000.**"

2. **Paragraph 3, "TERM OF AGREEMENT", shall be amended by removing,** "The term of this Agreement is from **11/5/2019 to 9/30/2023** unless sooner terminated pursuant to the terms of this Agreement", **and replacing it with "**The term of this Agreement is **11/5/2019 to 9/30/2025** unless sooner terminated pursuant to the terms of this Agreement".

3. EXHIBIT B – PRICING SCHEDULE shall be amended by adding several additional services as per EXHIBIT B1 Revised-PRICING SCHEDULE per AMENDMENT attached hereto.

4. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.

5. A copy of this AMENDMENT shall be attached to the original AGREEMENT dated December 5, 2019.

IN WITNESS WHEREOF, the parties have executed this AMENDMENT on the day and year written below.

MONTEREY COUNTY

DocuSigned by:
Debra Wilson
7B741937AA0D41B...
Contracts/Purchasing Officer

10/3/2023 | 12:02 PM PDT
Dated:

Approved as to Fiscal Provisions:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Deputy Auditor/Controller

Dated: 9/18/2023 | 7:55 AM PDT

Approved as to Liability Provisions:

Risk Management

Dated:

Approved as to Form:

DocuSigned by:
44E083B3FBEA412...
County Counsel

9/15/2023 | 8:39 AM PDT
Dated:

CONTRACTOR

DocuSigned by:
By: 18A95D4C5FCA4DC...
Signature of Chair, President, or Vice-President

Senior VP
Printed Name and Title

9/15/2023 | 8:35 AM PDT
Dated:

DocuSigned by:
By: Ryan Dotson
273CF6C90D234EB...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)*

Director of Finance and Administration
Printed Name and Title

9/12/2023 | 9:32 AM PDT
Dated:

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

EXHIBIT B1 Revised-PRICING SCHEDULE

All Pricing FOB Destination

BALLOT PRINTING, PROCESSING, ASSEMBLY & MAILING (Per 1,000 ballots):

Type of Charge	Cost
Printing	$330
Processing, Assembly, Mailing	$310
Multi-card surcharge	$100
Subsequent extract surcharge	$100

*Prices include administration, set up charges and plates
*Prices are per 1,000 ballots, single or double sided, regardless of number of columns on page
*Prices are fixed regardless of size of election and total final quantity printed

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COLOR ENVELOPE SET UP (Per version):

Type of Service	Cost
Pre-press	$0
Process files/plates	$0 *

**$2,000 per envelope type; 2 versions included per type; $475 per version after 2 types*

COLOR ENVELOPE PRINTING & PROCESSING COSTS (Per 1,000 envelopes):

Q	1 to 10,000	10,001 to 50,000	50,001 to 100,000	Over 100,000
Return**	$156.88 +Peel/Seal $511.86	$156.88 +Peel/Seal $171.01	$156.88 +Peel/Seal $92.45	$156.88 +Peel/Seal $83.57
Outer	$103.88	$103.88	$103.88	$103.88

*Special items: MILOS booklets are quoted at time of order and "I Voted by Mail" sticker inserts are $61.73 per 1,000
*Letter size inserts are $99.54 and ledger size inserts are $158.30 per 1,000
**Peel/Seal pricing if over 250,000 is $82.42*

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VOTER GUIDE SET UP & PROCESSING (Each):

Type of Charge	Cost
Set up inside page	Included
Set up color cover	Included
Set up VIG type	$600.00
Candidate statement (English)	Included
Candidate statement (Spanish)	Included
Line change request	Included
New page request	Included

VOTER GUIDE PRINTING, BINDING, ASSEMBLY & MAILING COSTS:

Number of inside pages per booklet	<10	12-16	18-24	26-36	38-50	52-68	70-90
Per 1,000 booklets	8pg - $573.04; 16pg - $846.73; 24pg - $1,120.41 - 32pg - $1,394.10; 40pg - $1,667.79; 48pg - $1,941.48; 56pg - $2,215.17; 64pg – $2,488.86; 72pg - $2,762.55; 80pg - $3,036.24; 88pg - $3,309.93; 96pg - $3,583.62.						

*Prices based on 8pg increments and include processing, sorting, labeling, packaging and delivering to post office

OTHER COSTS ASSOCIATED WITH VOTER INFORMATION GUIDES:

Type of Charge	Unit	Cost
Software Support	per hour	Included
Translation	per word	Supplied

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Legistar File ID No. 23-754 Agenda Item No. 30

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Glenn Church, seconded by Supervisor Wendy Root Askew to:

Agreement No.: A-14550 ; Amendment No.: 1
Authorize the Contracts & Purchasing Officer or their designee to approve Amendment No. 1 to Agreement No. A-14550 with K&H Printers-Lithographers, Inc., to continue providing ballot and voter information guide printing and mailing services in an amount not to exceed $9,600,000 and to extend the term through September 30, 2025.

PASSED AND ADOPTED on this 26th day of September 2023, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting September 26, 2023.

Dated: September 28, 2023
File ID: 23-754
Agenda Item No.: 30

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Vicente Ramirez, Deputy

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ROUTING FORM – RQN #: N/A	Date: 11/20/2019

☑ AGREEMENT ☐ AMENDMENT ☐ BOARD REPORT FOR PRE-APPROVAL

Vendor Name: K&H Printers-Lithographers, Inc.

Vendor Code:

Title/Brief Description of Document: Agreement #1 for Ballot and Voter Guide Printing and Mailing

Originating Dept: Elections 1410 **Dept Contact WITH Phone #:** Bella x1491

This Agreement or Amendment requires Board Approval: Yes ☐ **No** ☐

AGREEMENT TYPE

☐	RQNSA – Standard Agreement	☐	RQNNS – Non–Standard Agreement
☐	RQNPB – Pre-Board Standard Agreement	☐	RQNBN – Non-Standard Board Agreement
☐	RQNIT – IDT Standard Agreement	☐	RQNIN – IDT Non-Standard Agreement
☐	Insurance & Endorsement Attached	☐	VDR & Non-Resident State Forms Verified

ROUTING AND APPROVALS*

Each Approving Authority is requested to forward the Service Contract to the next Approving Authority in the order listed herein. Thank you.

	Approving Authority:	Approval Initials	Comments:	Date Reviewed
1st	ITD (for all ITD related contracts)		N/A	
2nd	County Counsel (required)	[redacted]	[redacted]	11-21-19
3rd	Risk Management (non-standard insurance and/or indemnity provisions)		N/A	
4th	Auditor-Controller (required)	[redacted]	[redacted] 11/5/19, but agreement indicates 10/1/19.	11/26/19
5th	Contracts/Purchasing (required)	[redacted]	[redacted]	12/5/19
	Return to Originating Department Instructions		Please interoffice to Bella Lesik	

OK to E 12.4.19

* If one of the approving authorities has an issue with the document and will not sign, the document shall be returned immediately to the originating department's key contact person identified herein along with a brief written explanation regarding the issue. Once that issue is corrected, the originating department shall restart the routing process again from the beginning by resubmitting the document through the approval process. The original Routing Form should be included for reference.

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Legistar File ID No.: A 19-382 Agenda Item No.: 58

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

A motion was made by Supervisor Mary L. Adams, seconded by Supervisor Jane Parker to:

Agreement No.: A-14550

a. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute an Agreement with K&H Printers-Lithographers, Inc., for ballot and voter information guide printing and mailing services per Request for Proposal (RFP) #10702. The initial term will begin November 5, 2019 and end September 30, 2023, in the amount not to exceed $1,500,000 per election and $6,000,000 in aggregate, with an option to extend the Agreement for four (4) additional one (1) year periods, in accordance with the terms and conditions of the Agreement.

b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute no more than four amendments, on behalf of the Registrar of Voters, which do not significantly impact the scope of work and do not exceed an increase of 10% of the original amount.

PASSED AND ADOPTED on this 5th day of November 2019, by the following vote, to wit:

AYES: Supervisors Alejo, Lopez, Phillips, Parker and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting November 5, 2019.

Dated: November 5, 2019
File ID.: A 19-382
Agenda Item No.: 58

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Julian Lorenzana, Deputy

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Introduced: 10/17/2019

Current Status: General Government - Consent

Version: 1

Matter Type: BoS Agreement

a. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute an Agreement with K&H Printers-Lithographers, Inc., for ballot and voter information guide printing and mailing services per Request for Proposal (RFP) #10702. The initial term will begin November 5, 2019 and end September 30, 2023, in the amount not to exceed $1,500,000 per election and $6,000,000 in aggregate, with an option to extend the Agreement for four (4) additional one (1) year periods, in accordance with the terms and conditions of the Agreement.

b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute no more than four amendments, on behalf of the Registrar of Voters, which do not significantly impact the scope of work and do not exceed an increase of 10% of the original amount.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

a. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute an Agreement with K&H Printers-Lithographers, Inc., for ballot and voter information guide printing and mailing services per Request for Proposal (RFP) #10702. The initial term will begin November 5, 2019 and end September 30, 2023, in the amount not to exceed $1,500,000 per election and $6,000,000 in aggregate, with an option to extend the Agreement for four (4) additional one (1) year periods, in accordance with the terms and conditions of the Agreement.

b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute no more than four amendments, on behalf of the Registrar of Voters, which do not significantly impact the scope of work and do not exceed an increase of 10% of the original amount.

SUMMARY/DISCUSSION:

On June 4, 2019 the Contracts/Purchasing office legally noticed RFP #10702, to award K&H Printers-Lithographers, Inc. (K&H) as the successful bidder for ballot and voter information guide printing and mailing services for the Elections Department. The amount per election is not to exceed $1,500,000 for a total amount of $6,000,000 for the initial Agreement term ending September 30, 2023.

Approval of the recommended actions will enable the Elections Department to print and mail ballot and voter information guides to over 191,000 Monterey County voters to conduct elections that meet State and federal election laws.

As part of the election process, the Elections Department will closely monitor that the services provided meet County requirements outlined in the scope of work of RFP #10702 which includes: ballot and voter information guide proofs, design layouts, assembly of vote by mail and voter information guide packets, timely delivery dates and contingencies outlined within the Agreement.
A copy of the proposed Agreement is attached hereto and on file with the Clerk to the Board.

OTHER AGENCY INVOLVEMENT:
The Agreement has been reviewed by the Auditor-Controller regarding fiscal provisions and by County Counsel as to form. Contracts and Purchasing conducted the RFP process which resulted in a successful proposal by the chosen vendor.

FINANCING:
Funding for this agreement is available in Elections FY 2019-20 Budget in the amount of $1,010,583. The agreement amount per election is $1,500,000, especially in future fiscal years and larger elections such as the Presidential. There is no reason to anticipate additional cost to the County General Fund with this recommendation for this fiscal year. Should this estimate change, Elections will attempt to identify savings. Future budgets will include funding for this agreement.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Approximately 191,000 Monterey County voters receive ballot and voter information guides for each Countywide election.

☒ Administration:
Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

Prepared by:

Izabela Lesik x 1491
Management Analyst

Approved by:

Claudio Valenzuela x 1499
Registrar of Voters

Attachments:
Board Report
RFP 10702 Proposed K&H Agreement 2019

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COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:
K&H PRINTERS-LITHOGRAPHERS, INC. ,
(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide:

Official election printing and mailing services per proposal in response to RFP 10702 for Secretary of State certified bilingual ballot printing

2.0 PAYMENT PROVISIONS:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of:$ 6,000,000.00

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from November 5, 2019 to September 30, 2023, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement.**

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions
Exhibit B Other: Pricing Schedule
Exhibit C Invoice Categories

5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7.0 TERMINATION:

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to

the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Requestor must check the appropriate Automobile Insurance Threshold:
Requestor must check the appropriate box.

☐ **Agreement Under $100,000 Business Automobile Liability Insurance**: covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $500,000 per occurrence.

☑ **Agreement Over $100,000 Business Automobile Liability Insurance**: covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or

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errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

(Note: any proposed modifications to these insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.** The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 **RECORDS AND CONFIDENTIALITY:**

10.1 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.2 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.3 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.4 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.5 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

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11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

14.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
CLAUDIO VALENZUELA REGISTRAR OF VOTERS	DAVE HAINES SENIOR VP
Name and Title	Name and Title
1441 SCHILLING PL - NORTH BLDG SALINAS, CA 93901	7720 HARDESON RD #A EVERETT, WA 98203
Address	Address
(831) 796-1499	(425) 446-3318
Phone:	Phone:

15.0 MISCELLANEOUS PROVISIONS.

15.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.

15.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

15.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

15.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

15.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

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15.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

15.08 **Compliance with Applicable Law:** The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

15.09 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

15.10 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

15.11 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

15.12 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

15.13 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

15.14 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

15.15 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

15.16 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

15.17 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

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16.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: 12/5/19

By: _____
Department Head (if applicable)

Date: _____

By: _____
Board of Supervisors (if applicable)

Date: _____

Approved as to Form[1]

By: _____
County Counsel

Date: Oct. 8, 2019

Approved as to Fiscal Provisions[2]

By: _____
Auditor/Controller

Date: 10-9-19

Approved as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

K&H PRINTERS-LITHOGRAPHERS, INC.
Contractor's Business Name*

By: _____
(Signature of Chair, President, or Vice-President) *

Dave Haines SVP
Name and Title

Date: 9/23/19

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasure) *

DARREN LOKEN PRESIDENT
Name and Title

Date: 9/24/19

County Board of Supervisors' Agreement Number: A-19-352, **approved on (date):** 11/5/2019

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above togetber with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

[1]Approval by County Counsel is required
[2]Approval by Auditor-Controller is required
[3]Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

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EXHIBIT-A

To Agreement by and between
Monterey County Elections, hereinafter referred to as "County"
AND
K&H Printers-Lithographers, Inc, hereinafter referred to as "CONTRACTOR"

Recitals

A. WHEREAS, County has invited proposals through the Request for Proposals (RFP #10702) for official election printing and mailing services, in accordance with the specifications set forth in this Exhibit; and

B. WHEREAS, CONTRACTOR has submitted a responsive and responsible proposal to perform such services; and

C. WHEREAS, CONTRACTOR has the expertise and capabilities necessary to provide the services request.

D. NOW THEREFORE, County engages CONTRACTOR to provide services on the terms and conditions set forth in RFP #10702 and this Exhibit as follows:

1. Contract

1.1 This Exhibit is intended to be complementary to all component parts of the Agreement. Services required by one of the below referenced contract documents and not by others shall be rendered as if required by all.

1.2 The component parts of the Agreement include the following:

-Agreement
-Exhibit A-C
-CONTRACTOR'S Proposal dated April 5, 2019
-RFP #10702
-Addenda #1 and #2

1.3 In the event of a conflict between or among the component parts of the Agreement, the contract documents shall be construed in the order listed above.

1.4 In the event of early termination or cancellation, CONTRACTOR shall make all reasonable efforts to ensure a smooth transition and minimize interruption of services and adverse impacts to County voters.

2. Contractor Requirements

2.1 CONTRACTOR shall maintain an official ballot printer certification from the California Secretary of State (SOS) during the entire term of the Agreement and shall provide a stock of approved ballot paper with the

legally required watermarks and markings to be used with County ballot marking devices.

2.2 CONTRACTOR shall provide bilingual voter information guide, vote by mail and ballot printing and mailing services compatible with the County's voting systems and in compliance with all laws and regulations.

2.3 CONTRACTOR shall perform a minimum of 90% of the original total contract price with his own organization. CONTRACTOR shall not enter into any subcontracting agreements without obtaining prior written approval from County.

2.4 County may terminate Agreement if CONTRACTOR fails to maintain certification or obtain recertification or is unable to accommodate technical ballot requirements for any SOS approved voting system the County adopts.

2.5 CONTRACTOR shall have quality control measures, such as inspections, audits, tracking and reporting, to ensure 100% accuracy of all design, printing, assembly and mailing processes. In the event of a quality control failure, CONTRACTOR must have a response plan.

2.6 CONTRACTOR shall have access control and security measures in place and make its facility available to County staff for inspection of processes.

2.7 CONTRACTOR shall designate a project manager to be the single point of contact for the designated County employee(s).

3. Scope of Services

3.1 All proofs and deliverables are subject to final inspection and authorization by the County Registrar of Voters or his designee. CONTRACTOR shall not print items prior to written approval or order. County shall not be responsible for cost of any deliverables that are not authorized.

3.2 County shall provide files, which may include electronic proofs and voter information, required to print and mail voter guides and ballots. CONTRACTOR shall provide a safe and secure medium for the transfer and storage of confidential data.

3.3 CONTRACTOR shall have the capabilities to create a layout, perform prepress work and proofing of the voter information guide as instructed by County, including a detailed production document with the content of each page to validate.

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3.3.1 The detailed production document shall include the amount of each type of voter guide printed and mailed and jurisdiction and content for each page of content.

3.3.2 CONTRACTOR shall provide County a sample of the final product.

3.3.3 Project management and quality control measures shall ensure 100% accurate assembly and that one correct voter information guide is issued per registered voter, grouped together correctly by category and mailing status.

3.4 CONTRACTOR shall sort voter addresses (military, overseas, out-of-state), create, assemble and prepare envelopes, voter guides and ballots for USPS mailing using materials acquired by CONTRACTOR that meet all legal requirements.

3.5 Envelopes and voter guides shall contain all required information including voter's name and address, voter ID barcode, Intelligent Mail Barcode (IMB), election, precinct and polling place information, and other special markings and ADA features as determined by County.

3.5.1 Assembly of vote by mail ballot packet consists of inserting the voter specific return envelope, one correct ballot type matched to voter's printed precinct information, and any additional inserts including a voter information guide as requested by County.

3.5.2 Project management and quality control measures shall ensure 100% accuracy of each ballot packet, including that each packet contains exactly one correct ballot and all specific inserts, and categories of packets are grouped together correctly by category and mailing status.

3.6 CONTRACTOR shall mail all official election materials at the appropriate qualifying rates that are most advantageous to County and include all legally required indicia.

3.7 CONTRACTOR shall produce, group, and package voter guides and precinct and counter ballots as instructed by County, to include a receipt in the package and label on the package with the election name and date, precinct number, ballot type, party information for primaries, polling location, quantity and serial numbers.

3.7.1 County instructions may include, but are not limited to, printing ballots with one or two stubs, folding and banding counter ballots, stitching precinct ballots in pads of 25 or other quantity, shrink wrapping each ballot type separately including by political party, and/or boxing each precinct and ballot type separately in serial number order with the applicable official ballot receipt for each precinct noting the ballot type, political party and total quantity.

3.8 CONTRACTOR shall place packages in double wall boxes, seal with security tape and palletize in ballot type order, with labels facing outward. Shipments of the same ballot type shall be delivered together, not split.

3.8.1 CONTRACTOR shall provide written evidence of quality and security of ballots and integrity of the chain of custody during the production and transportation of voter guides and ballots.

3.8.2 Each delivery shall include an order inventory. All items are subject to final County acceptance against shipping quantities of pallets, cartons and ballot type.

3.8.3 Each shipment of voter guides shall include a quality assurance slip.

3.8.4 Ground transportation shall be considered the normal method of delivery. In the event of an emergency supplemental order, or County delay, the County may authorize use of air transportation by phone and confirmed in writing within twenty-four (24) hours.

3.9 CONTRACTOR shall ensure emergency supplemental orders and re-mailings due to error or change are expedited per mutual arrangement, ideally to be mailed within twenty-four (24) hours for ballots and seventy-two (72) hours for voter information guides.

3.10 If any part of a shipment is rejected, CONTRACTOR shall ensure replacement within twenty-four (24) to forty-eight (48) hours.

4. Term of Agreement

4.1 The initial term of the Agreement will be for a period of four (4) years, with the option to extend for four (4) additional one (1) year periods.

4.1.1 County is not required to state a reason if it elects not to renew.

4.1.2 If County exercises option to extend, both parties shall agree upon the extension and any changes in writing.

5. Payment Provisions

5.1 Compensation/Payment

5.1.1 County shall pay an amount not to exceed $1,500,000 per election for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Services.

5.1.2 CONTRACTOR's compensation for services rendered under this Agreement shall be in accordance with the rates in Exhibit B – PRICING SCHEDULE attached hereto, which shall remain firm for the initial term of the Agreement.

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5.1.3 CONTRACTOR must commence negotiations for any desired rate changes a minimum of ninety (90) days prior to the expiration of the Agreement or subsequent extension.

5.1.4 If a CONTRACTOR error occurs during production, addressing or mailing, COUNTY may reject a shipment and ask for replacement, readdressing or re-mailing of affected quantities at no cost.

5.1.5 County shall have the option to reduce total charges for the impacted portion of the material by 0.5% for any item delivered late through no fault of the County.

5.2 Invoices/Purchase Orders

5.2.1 Invoices for all services rendered per this Agreement shall reference the election date and be billed directly to Monterey County Elections A/P at PO BOX 4400, Salinas CA 93912.

5.2.2 CONTRACTOR invoicing shall itemize provided services and details as determined by County for the purpose of billing and district reimbursement.

5.2.3 Pricing shall be on a unit cost basis and FOB destination, with project management and translation itemized separately.

5.2.3.1 Any duplicate production or mailing completed due to County error will be itemized separately

5.2.4 CONTRACTOR shall submit invoices no later than thirty (30) days after completion of services.

5.2.5 Invoices that are incorrect or do not adhere to the requested level of detail shall not be paid until revised by CONTRACTOR to meet County specifications.

5.2.6 County shall promptly certify and approve submitted invoices and forward to the Auditor-Controller for payment. Auditor-Controller shall pay the certified, approved amount 30 days after it is forwarded.

5.2.7 County shall issue a new purchase order valid only during that fiscal year, July 1 through June 30.

5.3 CONTRACTOR'S Billing Procedures

5.3.1 County may, at its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

5.3.2 If CONTRACTOR chooses to ship via air transportation absent County's written request, either due to CONTRACTOR preference or to meet delivery deadlines, it shall be at no additional cost to the County. With County authorization, air transportation shall be invoiced separately.

5.3.3 Under no circumstances shall the County be responsible for the cost of materials that are incorrect due to CONTRACTOR error.

5.3.4 Disallowed Costs

5.3.4.1 No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

5.3.4.2 County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

5.3.4.3 There shall be no expense or travel reimbursement allowed during this Agreement.

5.3.4.4 CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

6. Production Schedule

6.1 County shall determine the timelines, milestones and delivery dates at least eighty (80) days prior to an election.

6.2 County shall provide final ballot faces and a detailed order no later than two weeks prior to scheduled mailing of vote by mail ballots.

6.3 E dates are calendar days preceding or following Election Day and are subject to change. For example, E-85 might indicate 85 calendar days before a scheduled November general election. A tentative sample schedule follows:

E-85 County notifies CONTRACTOR of upcoming election with a description of ballots and voter information guides (VIG) required and the approximate quantities to be printed
E-85 CONTRACTOR's Technical Representative available for consultation until E+30
E-81 County begins providing VIG content
E-60 to 45 Between these dates County sends ballot faces to CONTRACTOR
E-57 CONTRACTOR sends ballot faces proofs to County
E-55 County sends ballot faces final approval to CONTRACTOR
E-54 CONTRACTOR delivers VIG proofs to County
E-53 County provides a detailed ballot and VIG order to CONTRACTOR
E-50 County approves or disapproves VIG pamphlet proofs
E-50 County provides military and overseas and VIG mailing data to CONTRACTOR
E-60 to 45 Between these dates the CONTRACTOR must mail the ballots to the military and overseas voters. This mailing may contain the VIG.
E-43 County provides vote by mail (VBM) data to CONTRACTOR
E-39 Counter ballots and VIG delivered to County
E-32 Last day for Contractor to deliver VIGs to the post office
E-25 Poll ballots and VIG delivered to County
E-29 CONTRACTOR must deliver all VBM ballots from the first extract to the post office
E-29 to E-7 Between these dates, CONTRACTOR will mail any subsequent VBM ballots from additional extracts within 24 hours of receipt of extract and no later than any deadline stipulated by law
E+10 Final date for CONTRACTOR to submit invoices
E+30 CONTRACTOR'S Technical Representative released from consultation requirements

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EXHIBIT B – PRICING SCHEDULE

All Pricing FOB Destination

BALLOT PRINTING, PROCESSING, ASSEMBLY & MAILING (Per 1,000 ballots):

Type of Charge	Cost
Printing	$280
Processing, Assembly, Mailing	$260
Multi-card surcharge	$100
Subsequent extract surcharge	$100

*Prices include administration, set up charges and plates
*Prices are per 1,000 ballots, single or double sided, regardless of number of columns on page
*Prices are fixed regardless of size of election and total final quantity printed

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COLOR ENVELOPE SET UP (Per version):

Type of Service	Cost
Pre-press	$150
Process files/plates	$200

COLOR ENVELOPE PRINTING & PROCESSING COSTS (Per 1,000 envelopes):

Q	1 to 10,000	10,001 to 50,000	50,001 to 100,000	Over 100,000
Return	$297.43	$142.61	$84.21	$71.89
Outer	$170.21	$105.24	$85.62	$74.86

*Special items: MILOS booklets are $978.10 and "I Voted by Mail" sticker inserts are $32.05 per 1,000
*Letter size inserts are $50 and ledger size inserts are $110 per 1,000

VOTER GUIDE SET UP & PROCESSING (Each):

Type of Charge	Cost
Set up inside page	$80
Set up color cover	$100
Set up VIG type	$150
Candidate statement (English)	$130
Candidate statement (Spanish)	$220
Line change request	$25
New page request	$50

*Price for inside page includes facsimile sample ballot, measures, arguments and filler pages
*Price for candidate statement composition is up to 400 words

VOTER GUIDE PRINTING, BINDING, ASSEMBLY & MAILING COSTS:

Number of inside pages per booklet	<10	12-16	18-24	26-36	38-50	52-68	70-90
Per 1,000 booklets	$350	$490	$690	$990	$1300	$1800	$2300

*Prices include processing, sorting, labeling, packaging and delivering to post office

OTHER COSTS ASSOCIATED WITH VOTER INFORMATION GUIDES:

Type of Charge	Unit	Cost
Software Support	per hour	$200
Translation	per word	$0.18

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EXHIBIT C – INVOICE CATEGORIES

All invoices shall include an invoice number, election date, and separate subtotals for each applicable category in bold below, as well as subtotal lines for any postage, taxes and freight. County reserves the right to modify or to add new invoice categories and requirements to meet election billing needs.

RELATED TO BALLOT COSTS –

Election Ballot Specifications: Number of cards per ballot, number of unique ballot faces, number of ballot styles, total ballots printed, total cards printed.

Account Management: Administration fees, envelope prepress, number of unique ballot setups, project management fees.

Mail Ballot Printing: Quantity of ballots, cards and envelopes separately listed each for VBMP ballots, VBMO ballots, MP ballots, and MILOS ballots, as well as Outer and Return envelope types.

Non-Mail Ballot Printing: Quantity of ballots and cards separately listed each for counter ballots, poll ballots, marked and unmarked test ballots.

Assembly and Mailing Services: Number of unique ballot setups, total ballot packets assembled, any surcharge fees and number of packets assembled, subsequent extract surcharge fees and number of ballot cards printed and packets assembled.

Miscellaneous: Any charges not covered by the categories above such as miscellaneous envelope charges, alterations, inserts and mailers, and software support.

RELATED TO VOTER GUIDE COSTS –

Election VIG Specifications: Number of VIG types, number of pages for each unique VIG type, number printed of each type, specify whether booklet or insert.

Account Management: Administration fees, prepress, VIG setups, project management fees.

VIG Printing: Quantity and cost separately listed each for office VIGs as well as VBMP ballots, MP ballots and MILOS ballots that were included with VIGs.

Assembly and Mailing Services: Any surcharge fees and number of packets assembled, subsequent extract surcharge fees and number of VIGs printed and packets assembled.

Translation: Provide word count and cost breakdown separately for each measure with all arguments, each candidate statement by contest, and common translation costs for ballot and headings.

Exhibit C

ROUTING FORM – RQN #: N/A	Date: 11/20/2019

☑ AGREEMENT ☐ AMENDMENT ☐ BOARD REPORT FOR PRE-APPROVAL

Vendor Name: K&H Printers-Lithographers, Inc.

Vendor Code:

Title/Brief Description of Document: Agreement #1 for Ballot and Voter Guide Printing and Mailing

Originating Dept: Elections 1410 **Dept Contact WITH Phone #:** Bella x1491

This Agreement or Amendment requires Board Approval: Yes ☐ **No** ☐

AGREEMENT TYPE

☐	RQNSA – Standard Agreement	☐	RQNNS – Non–Standard Agreement
☐	RQNPB – Pre-Board Standard Agreement	☐	RQNBN – Non-Standard Board Agreement
☐	RQNIT – IDT Standard Agreement	☐	RQNIN – IDT Non-Standard Agreement
☐	Insurance & Endorsement Attached	☐	VDR & Non-Resident State Forms Verified

ROUTING AND APPROVALS*

Each Approving Authority is requested to forward the Service Contract to the next Approving Authority in the order listed herein. Thank you.

	Approving Authority:	Approval Initials	Comments:	Date Reviewed
1st	ITD (for all ITD related contracts)		N/A	
2nd	County Counsel (required)	AB		11.21.19
3rd	Risk Management (non-standard insurance and/or indemnity provisions)		N/A	
4th	Auditor-Controller (required)	BM	Bid letter indicates start date 11/5/19 but agreement indicates 10/1/19.	11/26/19
5th	Contracts/Purchasing (required)			12/5/19
	Return to Originating Department Instructions		Please interoffice to Bella Lesik	

OK GE 12.4.19

* If one of the approving authorities has an issue with the document and will not sign, the document shall be returned immediately to the originating department's key contact person identified herein along with a brief written explanation regarding the issue. Once that issue is corrected, the originating department shall restart the routing process again from the beginning by resubmitting the document through the approval process. The original Routing Form should be included for reference.

Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

A motion was made by Supervisor Mary L. Adams, seconded by Supervisor Jane Parker to:

Agreement No.: A-14550

a. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute an Agreement with K&H Printers-Lithographers, Inc., for ballot and voter information guide printing and mailing services per Request for Proposal (RFP) #10702. The initial term will begin November 5, 2019 and end September 30, 2023, in the amount not to exceed $1,500,000 per election and $6,000,000 in aggregate, with an option to extend the Agreement for four (4) additional one (1) year periods, in accordance with the terms and conditions of the Agreement.

b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute no more than four amendments, on behalf of the Registrar of Voters, which do not significantly impact the scope of work and do not exceed an increase of 10% of the original amount.

PASSED AND ADOPTED on this 5th day of November 2019, by the following vote, to wit:

AYES: Supervisors Alejo, Lopez, Phillips, Parker and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting November 5, 2019.

Dated: November 5, 2019
File ID.: A 19-382
Agenda Item No.: 58

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Julian Lorenzana, Deputy

Introduced: 10/17/2019

Current Status: General Government - Consent

Version: 1

Matter Type: BoS Agreement

a. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute an Agreement with K&H Printers-Lithographers, Inc., for ballot and voter information guide printing and mailing services per Request for Proposal (RFP) #10702. The initial term will begin November 5, 2019 and end September 30, 2023, in the amount not to exceed $1,500,000 per election and $6,000,000 in aggregate, with an option to extend the Agreement for four (4) additional one (1) year periods, in accordance with the terms and conditions of the Agreement.

b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute no more than four amendments, on behalf of the Registrar of Voters, which do not significantly impact the scope of work and do not exceed an increase of 10% of the original amount.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

a. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute an Agreement with K&H Printers-Lithographers, Inc., for ballot and voter information guide printing and mailing services per Request for Proposal (RFP) #10702. The initial term will begin November 5, 2019 and end September 30, 2023, in the amount not to exceed $1,500,000 per election and $6,000,000 in aggregate, with an option to extend the Agreement for four (4) additional one (1) year periods, in accordance with the terms and conditions of the Agreement.

b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute no more than four amendments, on behalf of the Registrar of Voters, which do not significantly impact the scope of work and do not exceed an increase of 10% of the original amount.

SUMMARY/DISCUSSION:

On June 4, 2019 the Contracts/Purchasing office legally noticed RFP #10702, to award K&H Printers-Lithographers, Inc. (K&H) as the successful bidder for ballot and voter information guide printing and mailing services for the Elections Department. The amount per election is not to exceed $1,500,000 for a total amount of $6,000,000 for the initial Agreement term ending September 30, 2023.

Approval of the recommended actions will enable the Elections Department to print and mail ballot and voter information guides to over 191,000 Monterey County voters to conduct elections that meet State and federal election laws.

As part of the election process, the Elections Department will closely monitor that the services provided meet County requirements outlined in the scope of work of RFP #10702 which includes: ballot and voter information guide proofs, design layouts, assembly of vote by mail and voter information guide packets, timely delivery dates and contingencies outlined within the Agreement.
A copy of the proposed Agreement is attached hereto and on file with the Clerk to the Board.

OTHER AGENCY INVOLVEMENT:
The Agreement has been reviewed by the Auditor-Controller regarding fiscal provisions and by County Counsel as to form. Contracts and Purchasing conducted the RFP process which resulted in a successful proposal by the chosen vendor.

FINANCING:
Funding for this agreement is available in Elections FY 2019-20 Budget in the amount of $1,010,583. The agreement amount per election is $1,500,000, especially in future fiscal years and larger elections such as the Presidential. There is no reason to anticipate additional cost to the County General Fund with this recommendation for this fiscal year. Should this estimate change, Elections will attempt to identify savings. Future budgets will include funding for this agreement.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Approximately 191,000 Monterey County voters receive ballot and voter information guides for each Countywide election.

☒ Administration:
Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

Prepared by:

Izabela Lesiak x 1491
Management Analyst

Approved by:

Claudio Valenzuela x 1499
Registrar of Voters

Attachments:
Board Report
RFP 10702 Proposed K&H Agreement 2019

COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:
K&H PRINTERS-LITHOGRAPHERS, INC. ,
(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide:

Official election printing and mailing services per proposal in response to RFP 10702 for Secretary of State certified bilingual ballot printing

2.0 PAYMENT PROVISIONS:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of:$ 6,000,000.00

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from November 5, 2019 **to** September 30, 2023, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement.**

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions
Exhibit B Other: Pricing Schedule
Exhibit C Invoice Categories

5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7.0 TERMINATION:

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to

the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Requestor must check the appropriate Automobile Insurance Threshold:
Requestor must check the appropriate box.

☐ **Agreement Under $100,000 Business Automobile Liability Insurance**: covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $500,000 per occurrence.

☑ **Agreement Over $100,000 Business Automobile Liability Insurance**: covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or

errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

(Note: any proposed modifications to these insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.** The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 **RECORDS AND CONFIDENTIALITY:**

10.1 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.2 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.3 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.4 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.5 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

14.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
CLAUDIO VALENZUELA REGISTRAR OF VOTERS	DAVE HAINES SENIOR VP
Name and Title	Name and Title
1441 SCHILLING PL - NORTH BLDG SALINAS, CA 93901	7720 HARDESON RD #A EVERETT, WA 98203
Address	Address
(831) 796-1499	(425) 446-3318
Phone:	Phone:

15.0 MISCELLANEOUS PROVISIONS.

15.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.

15.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

15.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

15.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

15.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

15.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

15.08 **Compliance with Applicable Law:** The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

15.09 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

15.10 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

15.11 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

15.12 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

15.13 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

15.14 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

15.15 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

15.16 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

15.17 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

16.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: 12/5/19

By: _____
Department Head (if applicable)

Date: _____

By: _____
Board of Supervisors (if applicable)

Date: _____

Approved as to Form[1]

By: _____
County Counsel

Date: Oct. 8, 2019

Approved as to Fiscal Provisions[2]

By: _____
Auditor/Controller

Date: 10-9-19

Approved as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

K&H PRINTERS-LITHOGRAPHERS, INC.
Contractor's Business Name*

By: _____
(Signature of Chair, President, or Vice-President) *

Dave Haines SVP
Name and Title

Date: 9/23/19

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasure) *

DARREN LOKEN PRESIDENT
Name and Title

Date: 9/24/19

County Board of Supervisors' Agreement Number: A-19-352, **approved on (date):** 11/5/2019

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

[1]Approval by County Counsel is required
[2]Approval by Auditor-Controller is required
[3]Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

EXHIBIT-A

To Agreement by and between
Monterey County Elections, hereinafter referred to as "County"
AND
K&H Printers-Lithographers, Inc, hereinafter referred to as "CONTRACTOR"

Recitals

A. WHEREAS, County has invited proposals through the Request for Proposals (RFP #10702) for official election printing and mailing services, in accordance with the specifications set forth in this Exhibit; and

B. WHEREAS, CONTRACTOR has submitted a responsive and responsible proposal to perform such services; and

C. WHEREAS, CONTRACTOR has the expertise and capabilities necessary to provide the services request.

D. NOW THEREFORE, County engages CONTRACTOR to provide services on the terms and conditions set forth in RFP #10702 and this Exhibit as follows:

1. Contract

1.1 This Exhibit is intended to be complementary to all component parts of the Agreement. Services required by one of the below referenced contract documents and not by others shall be rendered as if required by all.

1.2 The component parts of the Agreement include the following:

-Agreement
-Exhibit A-C
-CONTRACTOR'S Proposal dated April 5, 2019
-RFP #10702
-Addenda #1 and #2

1.3 In the event of a conflict between or among the component parts of the Agreement, the contract documents shall be construed in the order listed above.

1.4 In the event of early termination or cancellation, CONTRACTOR shall make all reasonable efforts to ensure a smooth transition and minimize interruption of services and adverse impacts to County voters.

2. Contractor Requirements

2.1 CONTRACTOR shall maintain an official ballot printer certification from the California Secretary of State (SOS) during the entire term of the Agreement and shall provide a stock of approved ballot paper with the

legally required watermarks and markings to be used with County ballot marking devices.

2.2 CONTRACTOR shall provide bilingual voter information guide, vote by mail and ballot printing and mailing services compatible with the County's voting systems and in compliance with all laws and regulations.

2.3 CONTRACTOR shall perform a minimum of 90% of the original total contract price with his own organization. CONTRACTOR shall not enter into any subcontracting agreements without obtaining prior written approval from County.

2.4 County may terminate Agreement if CONTRACTOR fails to maintain certification or obtain recertification or is unable to accommodate technical ballot requirements for any SOS approved voting system the County adopts.

2.5 CONTRACTOR shall have quality control measures, such as inspections, audits, tracking and reporting, to ensure 100% accuracy of all design, printing, assembly and mailing processes. In the event of a quality control failure, CONTRACTOR must have a response plan.

2.6 CONTRACTOR shall have access control and security measures in place and make its facility available to County staff for inspection of processes.

2.7 CONTRACTOR shall designate a project manager to be the single point of contact for the designated County employee(s).

3. Scope of Services

3.1 All proofs and deliverables are subject to final inspection and authorization by the County Registrar of Voters or his designee. CONTRACTOR shall not print items prior to written approval or order. County shall not be responsible for cost of any deliverables that are not authorized.

3.2 County shall provide files, which may include electronic proofs and voter information, required to print and mail voter guides and ballots. CONTRACTOR shall provide a safe and secure medium for the transfer and storage of confidential data.

3.3 CONTRACTOR shall have the capabilities to create a layout, perform prepress work and proofing of the voter information guide as instructed by County, including a detailed production document with the content of each page to validate.

3.3.1 The detailed production document shall include the amount of each type of voter guide printed and mailed and jurisdiction and content for each page of content.

3.3.2 CONTRACTOR shall provide County a sample of the final product.

3.3.3 Project management and quality control measures shall ensure 100% accurate assembly and that one correct voter information guide is issued per registered voter, grouped together correctly by category and mailing status.

3.4 CONTRACTOR shall sort voter addresses (military, overseas, out-of-state), create, assemble and prepare envelopes, voter guides and ballots for USPS mailing using materials acquired by CONTRACTOR that meet all legal requirements.

3.5 Envelopes and voter guides shall contain all required information including voter's name and address, voter ID barcode, Intelligent Mail Barcode (IMB), election, precinct and polling place information, and other special markings and ADA features as determined by County.

3.5.1 Assembly of vote by mail ballot packet consists of inserting the voter specific return envelope, one correct ballot type matched to voter's printed precinct information, and any additional inserts including a voter information guide as requested by County.

3.5.2 Project management and quality control measures shall ensure 100% accuracy of each ballot packet, including that each packet contains exactly one correct ballot and all specific inserts, and categories of packets are grouped together correctly by category and mailing status.

3.6 CONTRACTOR shall mail all official election materials at the appropriate qualifying rates that are most advantageous to County and include all legally required indicia.

3.7 CONTRACTOR shall produce, group, and package voter guides and precinct and counter ballots as instructed by County, to include a receipt in the package and label on the package with the election name and date, precinct number, ballot type, party information for primaries, polling location, quantity and serial numbers.

3.7.1 County instructions may include, but are not limited to, printing ballots with one or two stubs, folding and banding counter ballots, stitching precinct ballots in pads of 25 or other quantity, shrink wrapping each ballot type separately including by political party, and/or boxing each precinct and ballot type separately in serial number order with the applicable official ballot receipt for each precinct noting the ballot type, political party and total quantity.

3.8 CONTRACTOR shall place packages in double wall boxes, seal with security tape and palletize in ballot type order, with labels facing outward. Shipments of the same ballot type shall be delivered together, not split.

3.8.1 CONTRACTOR shall provide written evidence of quality and security of ballots and integrity of the chain of custody during the production and transportation of voter guides and ballots.

3.8.2 Each delivery shall include an order inventory. All items are subject to final County acceptance against shipping quantities of pallets, cartons and ballot type.

3.8.3 Each shipment of voter guides shall include a quality assurance slip.

3.8.4 Ground transportation shall be considered the normal method of delivery. In the event of an emergency supplemental order, or County delay, the County may authorize use of air transportation by phone and confirmed in writing within twenty-four (24) hours.

3.9 CONTRACTOR shall ensure emergency supplemental orders and re-mailings due to error or change are expedited per mutual arrangement, ideally to be mailed within twenty-four (24) hours for ballots and seventy-two (72) hours for voter information guides.

3.10 If any part of a shipment is rejected, CONTRACTOR shall ensure replacement within twenty-four (24) to forty-eight (48) hours.

4. Term of Agreement

4.1 The initial term of the Agreement will be for a period of four (4) years, with the option to extend for four (4) additional one (1) year periods.

4.1.1 County is not required to state a reason if it elects not to renew.

4.1.2 If County exercises option to extend, both parties shall agree upon the extension and any changes in writing.

5. Payment Provisions

5.1 Compensation/Payment

5.1.1 County shall pay an amount not to exceed $1,500,000 per election for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Services.

5.1.2 CONTRACTOR's compensation for services rendered under this Agreement shall be in accordance with the rates in Exhibit B – PRICING SCHEDULE attached hereto, which shall remain firm for the initial term of the Agreement.

5.1.3 CONTRACTOR must commence negotiations for any desired rate changes a minimum of ninety (90) days prior to the expiration of the Agreement or subsequent extension.

5.1.4 If a CONTRACTOR error occurs during production, addressing or mailing, COUNTY may reject a shipment and ask for replacement, readdressing or re-mailing of affected quantities at no cost.

5.1.5 County shall have the option to reduce total charges for the impacted portion of the material by 0.5% for any item delivered late through no fault of the County.

5.2 Invoices/Purchase Orders

5.2.1 Invoices for all services rendered per this Agreement shall reference the election date and be billed directly to Monterey County Elections A/P at PO BOX 4400, Salinas CA 93912.

5.2.2 CONTRACTOR invoicing shall itemize provided services and details as determined by County for the purpose of billing and district reimbursement.

5.2.3 Pricing shall be on a unit cost basis and FOB destination, with project management and translation itemized separately.

5.2.3.1 Any duplicate production or mailing completed due to County error will be itemized separately

5.2.4 CONTRACTOR shall submit invoices no later than thirty (30) days after completion of services.

5.2.5 Invoices that are incorrect or do not adhere to the requested level of detail shall not be paid until revised by CONTRACTOR to meet County specifications.

5.2.6 County shall promptly certify and approve submitted invoices and forward to the Auditor-Controller for payment. Auditor-Controller shall pay the certified, approved amount 30 days after it is forwarded.

5.2.7 County shall issue a new purchase order valid only during that fiscal year, July 1 through June 30.

5.3 CONTRACTOR'S Billing Procedures

5.3.1 County may, at its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

5.3.2 If CONTRACTOR chooses to ship via air transportation absent County's written request, either due to CONTRACTOR preference or to meet delivery deadlines, it shall be at no additional cost to the County. With County authorization, air transportation shall be invoiced separately.

5.3.3 Under no circumstances shall the County be responsible for the cost of materials that are incorrect due to CONTRACTOR error.

5.3.4 Disallowed Costs

5.3.4.1 No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

5.3.4.2 County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

5.3.4.3 There shall be no expense or travel reimbursement allowed during this Agreement.

5.3.4.4 CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

6. Production Schedule

6.1 County shall determine the timelines, milestones and delivery dates at least eighty (80) days prior to an election.

6.2 County shall provide final ballot faces and a detailed order no later than two weeks prior to scheduled mailing of vote by mail ballots.

6.3 E dates are calendar days preceding or following Election Day and are subject to change. For example, E-85 might indicate 85 calendar days before a scheduled November general election. A tentative sample schedule follows:

E-85 County notifies CONTRACTOR of upcoming election with a description of ballots and voter information guides (VIG) required and the approximate quantities to be printed
E-85 CONTRACTOR's Technical Representative available for consultation until E+30
E-81 County begins providing VIG content
E-60 to 45 Between these dates County sends ballot faces to CONTRACTOR
E-57 CONTRACTOR sends ballot faces proofs to County
E-55 County sends ballot faces final approval to CONTRACTOR
E-54 CONTRACTOR delivers VIG proofs to County
E-53 County provides a detailed ballot and VIG order to CONTRACTOR
E-50 County approves or disapproves VIG pamphlet proofs
E-50 County provides military and overseas and VIG mailing data to CONTRACTOR
E-60 to 45 Between these dates the CONTRACTOR must mail the ballots to the military and overseas voters. This mailing may contain the VIG.
E-43 County provides vote by mail (VBM) data to CONTRACTOR
E-39 Counter ballots and VIG delivered to County
E-32 Last day for Contractor to deliver VIGs to the post office
E-25 Poll ballots and VIG delivered to County
E-29 CONTRACTOR must deliver all VBM ballots from the first extract to the post office
E-29 to E-7 Between these dates, CONTRACTOR will mail any subsequent VBM ballots from additional extracts within 24 hours of receipt of extract and no later than any deadline stipulated by law
E+10 Final date for CONTRACTOR to submit invoices
E+30 CONTRACTOR'S Technical Representative released from consultation requirements

EXHIBIT B – PRICING SCHEDULE

All Pricing FOB Destination

BALLOT PRINTING, PROCESSING, ASSEMBLY & MAILING (Per 1,000 ballots):

Type of Charge	Cost
Printing	$280
Processing, Assembly, Mailing	$260
Multi-card surcharge	$100
Subsequent extract surcharge	$100

*Prices include administration, set up charges and plates
*Prices are per 1,000 ballots, single or double sided, regardless of number of columns on page
*Prices are fixed regardless of size of election and total final quantity printed

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COLOR ENVELOPE SET UP (Per version):

Type of Service	Cost
Pre-press	$150
Process files/plates	$200

COLOR ENVELOPE PRINTING & PROCESSING COSTS (Per 1,000 envelopes):

Q	1 to 10,000	10,001 to 50,000	50,001 to 100,000	Over 100,000
Return	$297.43	$142.61	$84.21	$71.89
Outer	$170.21	$105.24	$85.62	$74.86

*Special items: MILOS booklets are $978.10 and "I Voted by Mail" sticker inserts are $32.05 per 1,000
*Letter size inserts are $50 and ledger size inserts are $110 per 1,000

VOTER GUIDE SET UP & PROCESSING (Each):

Type of Charge	Cost
Set up inside page	$80
Set up color cover	$100
Set up VIG type	$150
Candidate statement (English)	$130
Candidate statement (Spanish)	$220
Line change request	$25
New page request	$50

*Price for inside page includes facsimile sample ballot, measures, arguments and filler pages
*Price for candidate statement composition is up to 400 words

VOTER GUIDE PRINTING, BINDING, ASSEMBLY & MAILING COSTS:

Number of inside pages per booklet	<10	12-16	18-24	26-36	38-50	52-68	70-90
Per 1,000 booklets	$350	$490	$690	$990	$1300	$1800	$2300

*Prices include processing, sorting, labeling, packaging and delivering to post office

OTHER COSTS ASSOCIATED WITH VOTER INFORMATION GUIDES:

Type of Charge	Unit	Cost
Software Support	per hour	$200
Translation	per word	$0.18

EXHIBIT C – INVOICE CATEGORIES

All invoices shall include an invoice number, election date, and separate subtotals for each applicable category in bold below, as well as subtotal lines for any postage, taxes and freight. County reserves the right to modify or to add new invoice categories and requirements to meet election billing needs.

RELATED TO BALLOT COSTS –
Election Ballot Specifications: Number of cards per ballot, number of unique ballot faces, number of ballot styles, total ballots printed, total cards printed.

Account Management: Administration fees, envelope prepress, number of unique ballot setups, project management fees.

Mail Ballot Printing: Quantity of ballots, cards and envelopes separately listed each for VBMP ballots, VBMO ballots, MP ballots, and MILOS ballots, as well as Outer and Return envelope types.

Non-Mail Ballot Printing: Quantity of ballots and cards separately listed each for counter ballots, poll ballots, marked and unmarked test ballots.

Assembly and Mailing Services: Number of unique ballot setups, total ballot packets assembled, any surcharge fees and number of packets assembled, subsequent extract surcharge fees and number of ballot cards printed and packets assembled.

Miscellaneous: Any charges not covered by the categories above such as miscellaneous envelope charges, alterations, inserts and mailers, and software support.

RELATED TO VOTER GUIDE COSTS –
Election VIG Specifications: Number of VIG types, number of pages for each unique VIG type, number printed of each type, specify whether booklet or insert.

Account Management: Administration fees, prepress, VIG setups, project management fees.

VIG Printing: Quantity and cost separately listed each for office VIGs as well as VBMP ballots, MP ballots and MILOS ballots that were included with VIGs.

Assembly and Mailing Services: Any surcharge fees and number of packets assembled, subsequent extract surcharge fees and number of VIGs printed and packets assembled.

Translation: Provide word count and cost breakdown separately for each measure with all arguments, each candidate statement by contest, and common translation costs for ballot and headings.

County of Monterey

Board Report

Legistar File Number: 25-589

Item No.35

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/13/2025

Current Status: General Government - Consent

Version: 1

Matter Type: General Agenda Item

Approve submittal of the *County of Monterey Immigration Rights Initiative*, *Monterey County Young Supervisors Program*, *Hygiene Hubs*, and *Business Programs and Incentives Guide* application entries to the 2025 California State Association of Counties (CSAC) Challenge Awards competition.

RECOMMENDATION:

It is recommended that the Board of Supervisors approve submittal of the *County of Monterey Immigration Rights Initiative*, *Monterey County Young Supervisors Program*, *Hygiene Hubs*, and *Business Programs and Incentives Guide* application entries to the 2025 California State Association of Counties (CSAC) Challenge Awards competition.

SUMMARY:

Each year the California State Association of Counties (CSAC) invites counties to submit nominations for the CSAC Challenge Awards. These unique awards recognize the innovative and creative spirit of California county governments for finding new and effective ways of providing projects, programs, and services to their citizens.

DISCUSSION:

Information on the 2025 CSAC Challenge Awards competition was provided to the Board and all County Departments. The County Administrative Office received four (4) applications which are presented in this report for review and approval by the Board for submission to CSAC.

1. ***County of Monterey Immigration Rights Initiative:*** The County of Monterey Immigration Rights Initiative mobilized to ensure every resident has equitable access to rights and protections, regardless of language, status or circumstance. **| County Administrative Office, Communications Bureau. - Exhibit A**

2. ***Monterey County Young Supervisors Program (YSP):*** The Monterey County Young Supervisors Program (YSP) is a first-of-its-kind in California and consists of a 4-week summer leadership institute for local county youth**. |** Supervisor Luis Alejo; Supervisor Chris Lopez - **Exhibit B**

3. ***Hygiene Hubs:*** Monterey County's Environmental Health Bureau established innovative hygiene hubs to ensure safe, equitable storm recovery for Pajaro residents lacking water and sewage infrastructure. | Health Department, Environmental Health

Bureau. **- Exhibit C**

4. ***Business Programs and Incentives Guide:*** The County of Monterey developed a robust business resource guide to have a single document to display all resources available to support the business community. | County Administrative Office, Economic Development. **- Exhibit D**

OTHER AGENCY INVOLVEMENT:
The County Administrative Office prepared this report with materials submitted by the CAO - Communications Bureau; Supervisor Luis Alejo and Supervisor Chris Lopez; Health Department-Environmental Health Bureau; CAO-Economic Development.

FINANCING:
Approval of this action will not impact the General Fund. Each submission to the CSAC Challenge Awards competition requires a $100 entry fee. Four (4) entries from the County of Monterey will be submitted for a total cost of $400 to be funded through the County Administrative Office-Department 1050, Intergovernmental & Legislative Affairs Unit 8054. Funds are available in the current year budget.

Prepared by: Annette D'Adamo, Legislative Program Manager x3045
Approved by: Nicholas E. Chiulos, Chief Assistant CAO x5145

Attachments:
Exhibit A Immigration Rights Initiative
Exhibit B Monterey County Young Supervisors Program (YSP)
Exhibit C Hygiene Hubs
Exhibit D Business Programs and Incentives Guide

County of Monterey

Board Report

Legistar File Number: 25-589

Item No.32

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/13/2025

Current Status: General Government - Consent

Version: 1

Matter Type: General Agenda Item

Approve submittal of the *County of Monterey Immigration Rights Initiative*, *Monterey County Young Supervisors Program*, *Hygiene Hubs*, and *Business Programs and Incentives Guide* application entries to the 2025 California State Association of Counties (CSAC) Challenge Awards competition.

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The County Administrative Office prepared this report with materials submitted by the CAO - Communications Bureau; Supervisor Luis Alejo and Supervisor Chris Lopez; Health Department-Environmental Health Bureau; CAO-Economic Development.

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Attachments:
Exhibit A Immigration Rights Initiative
Exhibit B Monterey County Young Supervisors Program (YSP)
Exhibit C Hygiene Hubs
Exhibit D Business Programs and Incentives Guide

County of Monterey – 2025 CSAC Challenge Awards

Executive Summary
County of Monterey Immigration Rights Initiative

OVERVIEW – The County of Monterey Immigration Rights Initiative mobilized to ensure every resident has equitable access to rights and protections, regardless of language, status, or circumstance.

CHALLENGE – Immigrants in Monterey County, many integral to our thriving agricultural and hospitality industries, faced steep barriers: scarce affordable legal aid, language gaps, and deep-seated fears of federal systems. These challenges threatened not only family unity but also the economic stability of the region.

SOLUTION – Under the leadership of Supervisors Chris Lopez and Luis Alejo, an ad hoc committee of more than 100 leaders from industry groups, law enforcement, healthcare, schools and nonprofits sprang into action, meeting weekly to maximize outreach. In just a few months, a county-wide outreach program was fully underway. By April 2025, we had hosted four community "Know Your Rights" forums in Salinas, Greenfield, Pajaro, and Seaside—drawing over 2,500 participants. Evergreen video recordings of these events have since reached more than 35,000 viewers on Facebook and YouTube.

We distributed 120,000 pocket-sized, multilingual Know Your Rights Red Cards, available both in print and for download, to 95 nonprofits and all 27 county departments. Two press conferences outside the County Government Center drew over 150 representatives from community organizations, elected offices, and the public, with coverage from major news outlets and live streams amplifying the message.

Strategic partnerships with the Mexican Consulate General in San José, the Honorary Consul of Mexico in Salinas, and local, state, and federal offices ensured robust support. At each forum, community fairs offered resource booths, free materials, and refreshments, creating a safe and welcoming space for learning and connection.

INNOVATION – Our approach broke new ground. Animated explainer videos produced in English, Spanish, and four Indigenous languages made vital legal information accessible to thousands and ran as Public

Service Announcements on local TV hundreds of times across the region. Distinctive, pocket-sized Red Cards were created which carried clear, critical guidance for encounters with federal agents and became a visible emblem of empowerment across the county. The cards were embraced by the Monterey County Hospitality Association, the Farm Bureau, and dozens of partner agencies. Thousands of Family Caregiver Affidavit packets were distributed for parents to plan if separated from their children through school-based forums, which also provided direct access to immigration attorneys. This rapid implementation of resources set a new efficiency benchmark, rolling out the entire initiative in just four months.

RESULTS – Nonprofits reported an immediate surge in requests for legal aid, with attorneys providing direct, hands-on support. Partnerships with the county education department brought rights education into classrooms, building trust from an early age. Both the Hospitality Association and the Farm Bureau noted a boost in worker confidence. Our evergreen videos and widely covered press conferences continue to serve as trusted resources.

REPLICABILITY – This turn-key model was built on a multilingual resource hub, downloadable tools, school-based forums, and cross-sector partnerships offers a ready blueprint for other counties, especially those with agricultural or hospitality-driven economies. It was accessed by tens of thousands in and outside our County.

CONTACT

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Monterey County Administrative Office
168 W. Alisal Street, 3rd Floor, Salinas, CA 93901
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ADDITIONAL MATERIALS

- Immigration Rights Website (downloadable resources): Know Your Rights Resources
- Press Conferences Links: 1/15/2025 and 6/18/2025 (Tri-County effort private and public sector)
- Indigenous Language Video Links: Mixteco, Triqui, and more
- Immigration Forum Playlist: YouTube Playlist

County of Monterey – 2025 CSAC Challenge Awards

Executive Summary
Monterey County Young Supervisors Program

OVERVIEW – The Monterey County Young Supervisors Program is a first-of-its-kind in California and consists of a 4-week summer leadership institute for local county youth.

CHALLENGE – Young people have limited access to government programs that build leadership skills, prepare them for civic engagement and introduce them to county careers.

INNOVATIVE SOLUTION – Preparing the next generation of leaders in county government was the primary reason why the Monterey County Young Supervisors Program was created in 2017. We wanted a method to utilize our elected offices to provide the young people of Monterey County with an opportunity to develop skills in leadership, problem solving, critical thinking, and networking, and to better understand the important role that county governments play in providing essential services to its residents, visitors and businesses.

We wanted to take advantage of the summer when local high school students are looking for opportunities to build their resume, gain experience, fulfill their high school community service hours, and make the most of their time out of school. We opened the program to high school and first and second-year college students. Participants go on an initial 2-day leadership development training to sharpen and learn leadership skills, and they also hear from a variety of speakers on topics, such as the professional networking and reputations, the news media, small businesses, non-profits, law enforcement, and homeless services. The students also visit historic Colton Hall in Monterey where the California Constitution was drafted in 1849. A highlight of the program is taking the students to the Monterey Bay Aquarium and O'neill Sea Odyssey to learn about ocean conservation and go out into the Monterey Bay waters, most who have never had that opportunity despite living close by.

Legislative Mock Hearing: The main project is having the participants research a hot policy topic and then conduct a mock legislative hearing in the Supervisors' Chambers debating both sides of the issue to

encourage critical thinking. These topics are often controversial topics that the Board of Supervisors later votes on, such as a homeless navigation center, farmworker housing, ocean plastic pollution, and our battery energy storage facilities. They conduct the hearing in front of their parents and family members as part of a final graduation ceremony. By completing the program, our offices aim to also empower the students, many who come from low-income households, by strengthening their resume and providing recommendation letters as they prepare to apply for college or scholarships.

Preparing the Next Generation of Leaders: Above all else, we hope to spark an interest in these young adults about becoming civically engaged and take part in the decision making in their own communities. When we started, there were no other such youth government programs in our county, but today, we have now inspired more opportunities. The City of Salinas, Speaker Robert Rivas and Senator Anna Caballero conduct their own youth programs. Overall, this program receives positive reviews from the community, especially from the parents who appreciate their child being closely connected with a county supervisor. We are proud to have younger siblings of graduates later join also.

RESULTS AND REPLICABILITY – Over 350 students have completed the curriculum, with alumni attending prestigious institutions such as UC Berkeley, UCLA, Stanford, West Point, Harvard, among other prestigious universities. Today, most of the graduates are young professionals working in numerous fields. YSP has now inspired our County Elections Office and Health Department to conduct similar institutes. Other County Supervisors have also utilized our curriculum for creating their own programs, including Supervisor Eddie Valero in Tulare County and Supervisor Felipe Hernandez in Santa Cruz County. We are in the process of assisting Supervisor Josh Pedrozo in Merced County.

***Funding and Staffing*:** The program is led and sustained by Supervisor Alejo and Lopez's Office budgets and through partnerships with local donors and organizations. Primary staffing for the program is conducted by Supervisor Alejo's and Lopez's dedicated staff along with volunteer guest speakers from county departments and the community.

CONTACT

Javier Gomez, District 1 Policy Analyst
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County of Monterey – 2025 CSAC Challenge Awards

Executive Summary
Hygiene Hubs

OVERVIEW – Monterey County's Environmental Health Bureau established innovative hygiene hubs to ensure safe, equitable storm recovery for Pajaro residents lacking water and sewage infrastructure.

CHALLENGE – In early 2023, severe storms and flooding forced Pajaro residents to evacuate. Upon return, they faced homes without running water or sewage and rapidly spreading mold. The county needed to prevent a public health crisis while enabling safe, timely reoccupation. The unique urgency and scale of the sanitation challenge, especially for a vulnerable, diverse community, required immediate, equity-minded action.

SOLUTION – Monterey County's Environmental Health Bureau led a rapid, multi-agency response. The Bureau established hygiene hubs offering self-contained toilets, showers, laundry, food, water, and information. Multilingual outreach ensured all residents received guidance on food, water, and wastewater safety.

Free well water testing and septic system support were provided, and disaster debris was efficiently managed. Free coliform bacteria testing vouchers were offered for private wells affected by flooding. EHB also provided step-by-step guidance for disinfecting and restoring water systems. Residents received clear instructions on discarding contaminated food, cleaning utensils, and safely reopening food businesses. Resources were available in English and Spanish.

For wastewater and septic systems, the Bureau provided advice on safe use during and after floods detailing when to avoid pumping and how to check for damage. Disaster debris was managed efficiently with curbside removal, hazardous waste collection, and emergency transfer stations set up for storm-related waste. Working alongside local agencies and the Red Cross, the Bureau also supported shelter operations and distributed meals, water, and essential supplies.

This project supports the County of Monterey's broader community resiliency initiatives. Since 2016, Monterey County has worked to move toward equity-mindedness. Under the County's definition—drawn from Race Forward—racial justice means systemic fair treatment of people from all races, resulting in equitable opportunities and outcomes for everyone. The County's Department of Emergency Management has adopted equity-mindedness as part of its community resiliency initiative, which includes six strategic areas. One key focus is building healthier communities—recognizing that access to high-quality healthcare, clean air and water, healthy food, and outdoor activities makes communities more resilient and better able to withstand disasters.

INNOVATION – This program stands out among California counties with its' community-centered hygiene hubs serving as temporary centers for essential sanitation and recovery. The approach integrated multilingual communication and cross-agency collaboration ensuring even the most underserved residents had access to critical services and information during recovery.

RESULTS – The program enabled Pajaro residents to return home safely and quickly preventing a sanitation crisis and reducing health risks. The hubs operated twenty-four hours a day for fifty-three days. Over 1,000 inspections were conducted, 43,000 meals distributed, and thousands accessed hygiene services. The initiative improved public trust, streamlined service delivery, and strengthened internal emergency response coordination.

REPLICABILITY – Other California counties can replicate this model by establishing hygiene hubs, prioritizing equity, and coordinating multilingual outreach. The program's structure, partnerships, and resources can serve as a best practice for disaster recovery and community resilience statewide.

CONTACT

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831.755.8979 | FlaggMM@countyofmonterey.gov

Nicki Fowler, Health Program Coordinator
831.755.4584 | FowlerNE@countyofmonterey.gov

County of Monterey Health Department, Environmental Health Bureau
1270 Natividad Road, Salinas, CA 93906

ADDITIONAL MATERIALS

- 2023 Winter Storms-Atmospheric River Disaster Recovery Resources
- Pajaro Recovery
- 2023 Pineapple Express Disaster Recovery Resources
- Environmental Health - Flood Information

County of Monterey – 2025 CSAC Challenge Awards

Executive Summary
Business Programs and Incentives Guide

OVERVIEW – The County of Monterey developed a robust business resource guide to have a single document to display all resources available to support the business community.

CHALLENGE – The challenge with this effort is that there are many resources at the Federal, State, and Local level that contribute to this large undertaking. The County of Monterey Economic Development team consists of only two staff and the governmental agencies that display their resources vary. The development of this program took staff nearly 4 months to compile all relevant information and even after compiling the information, much of it is not easily understood by the business community. Our small but mighty team took time to review each resource and carefully craft language to make it understandable. Another challenge was ensuring that staff had basic knowledge of each resource to be able to provide the right level of assistance to businesses in need of support.

SOLUTION – In order to address these challenges the economic development team attended several webinars, met with individuals with vast knowledge of specific resources, and spent countless hours reviewing and understanding each resource. Our team also partnered with our communications team for the graphics and design of our business resource guide.

INNOVATION – This is innovative among counties in California because of the scope of this project and compilation of federal, state, and local resources in one place. This resource guide focused on innovative efforts that connects all 12 cities in Monterey County to resources focused on areas of need for business owners and programs to assist them in retaining their business (grant programs, access to capital, workforce development programs, tax incentives, and business support organizations).

RESULTS – The project has increased the amount of interactions and requests for support by the business community across the county. Our office went from nearly 75 business interactions the previous year to over 150 direct requests for assistance and support. The business programs & incentives guide resulted in all 12 cities within the County of Monterey being able to access the document, which led to many of these

cities utilizing the document to assist many small or start-up businesses within their city. The project has assisted many local business in providing a list of Federal, State, and Local grant programs to help their business grow along with providing a variety of industry and region-specific programs that helped access funding for many local businesses.

REPLICABILITY – The process, highlighted through research and analysis that included verifying updated programs, is a process that is easily replicable in any city/county. We also partnered with our communications team who were able to provide the graphics and design for the guide.

CONTACT

Richard Vaughn, Economic Development Manager
Monterey County Administrative Office
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(831) 784-5602 | VaughnR@countyofmonterey.gov

ADDITIONAL MATERIALS

- County of Monterey Business Programs and Incentives Guide

Introduced: 8/14/2025

Current Status: General Government - Consent

Version: 1

Matter Type: BoS Agreement

a. Authorize the Chief Information Officer to execute a non-standard Agreement with Mainline Information Systems, LLC (dba Pellera) a reseller of TD Synnex Corporation an awarded vendor of OMNIA Partner's existing Region 14 Education Service Center Contract No. 01-170 to purchase technology products and services, up to an amount of $500,000 for the term of September 1, 2025 through December 31, 2026; and
b. Authorize the Chief Information Officer, or his designee, to execute order forms and such documents as are necessary to implement the agreement with Mainline Information Systems for the County's purchase of technology solutions, services, and support, including subscription renewals on an as-needed basis; and
c. Accept non-standard contract provisions as recommended by the Chief Information Officer; and
d. Authorize the Chief Information Officer to amend or sign up to two (2) renewals of one (1) year each to the Agreement, where the cost cap of each amendment or renewal does not increase by more than 10% of the prior agreement's or amendment's cost cap, with a maximum total increase of $1,155,000 for a total agreement not to exceed the amount of $1,655,000 and so long as the Order Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review

RECOMMENDATION:
It is recommended that the Board of Supervisors:

a. Authorize the Chief Information Officer to execute a non-standard Agreement with Mainline Information Systems, LLC (dba Pellera) a reseller of TD Synnex Corporation an awarded vendor of OMNIA Partner's existing Region 14 Education Service Center Contract No. 01-170 to purchase technology products and services, up to an amount of $500,000 for the term of September 1, 2025 through December 31, 2026; and
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additional Agreements are entered into, subject to County Counsel review

SUMMARY:
The Information Technology Department (ITD) is requesting to sign order forms with Mainline Information Systems, a Synnex Corporation reseller, through the OMNIA Partners cooperative Master Agreement No. 01-170 for information technology related products and services on an as-needed basis.

DISCUSSION:
Region 14 Education Service Center on behalf of itself and other government agencies was the lead agency responding to Request For Proposal 14-23, Advanced Technology Solutions Aggregator on behalf of the National Cooperative Purchasing Alliance (NCPA) to establish a national cooperative contract for information technology solutions and services.

The NCPA assists public agencies to increase efficiency and reduce costs when procuring goods and services by awarding competitively solicited contracts that are leveraged nationally by combining the volumes and purchasing power of entities nationwide.

The NCPA selected specified companies, including Synnex Corporation to provide technology goods and services on favorable terms and prices through the NCPA Master Agreement No. 01-170.

This Master Agreement allows government agencies to purchase on an as-needed basis from a competitively awarded contract and covers all vendor product lines available at Synnex with discounted prices for various technologies. Mainline Information Systems is an authorized reseller that has agreed to sell Synnex products to the County of Monterey on these favorable terms.

The Chief Information Officer recommends approval to procure from Mainline Information Systems on an as-needed basis for maintaining, supporting IT related hardware, software, and services, which may include technical support and professional services.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
County Counsel has reviewed the Agreement with TD Synnex Corporation. The Auditor-Controller's Office reviewed the contract but does not agree to the non-standard payment provisions.

FINANCING:
The funds for payment of the costs of this Agreement are included in the FY 2025-2026 Adopted Budget for the Information Technology Department, ITD 1930, Appropriations Unit INF002. Future year budget requirements will be included with each respective fiscal year budget submission.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
The authorization to utilize this cooperative agreement on an as-needed basis, will allow the County to procure IT related products and services at favorable rates.

____ Well-Being and Quality of Life
X Sustainable Infrastructure for the Present and Future
____ Safe and Resilient Communities
____ Diverse and Thriving Economy
____ Dynamic Organization and Employer of Choice

____ Administrative [Include one or two sentences referencing the Ordinance, Code, Board Order/Resolution, etc. in relation to this selection]

Prepared by: Sandra Shaffer, Management Analyst III, 759-6957

Approved by: Eric A. Chatham, Chief Information Officer, 759-6920

Attachments:
Agreement Contract #01-170
Authorized Resellers List
OMNIA Partners Advanced Technology Solutions Aggregator
<https://www.omniapartners.com/suppliers/td-synnex/public-sector/contract-documents>

Introduced: 8/14/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

a. Authorize the Chief Information Officer to execute a non-standard Agreement with Mainline Information Systems, LLC (dba Pellera) a reseller of TD Synnex Corporation an awarded vendor of OMNIA Partner's existing Region 14 Education Service Center Contract No. 01-170 to purchase technology products and services, up to an amount of $500,000 for the term of September 1, 2025 through December 31, 2026; and
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d. Authorize the Chief Information Officer to amend or sign up to two (2) renewals of one (1) year each to the Agreement, where the cost cap of each amendment or renewal does not increase by more than 10% of the prior agreement's or amendment's cost cap, with a maximum total increase of $1,155,000 for a total agreement not to exceed the amount of $1,655,000 and so long as the Order Forms do not significantly alter the terms of the Agreement, even if no additional Agreements are entered into, subject to County Counsel review

SUMMARY:
The Information Technology Department (ITD) is requesting to sign order forms with Mainline Information Systems, a Synnex Corporation reseller, through the OMNIA Partners cooperative Master Agreement No. 01-170 for information technology related products and services on an as-needed basis.

DISCUSSION:
Region 14 Education Service Center on behalf of itself and other government agencies was the lead agency responding to Request For Proposal 14-23, Advanced Technology Solutions Aggregator on behalf of the National Cooperative Purchasing Alliance (NCPA) to establish a national cooperative contract for information technology solutions and services.

The NCPA assists public agencies to increase efficiency and reduce costs when procuring goods and services by awarding competitively solicited contracts that are leveraged nationally by combining the volumes and purchasing power of entities nationwide.

The NCPA selected specified companies, including Synnex Corporation to provide technology goods and services on favorable terms and prices through the NCPA Master Agreement No. 01-170.

This Master Agreement allows government agencies to purchase on an as-needed basis from a competitively awarded contract and covers all vendor product lines available at Synnex with discounted prices for various technologies. Mainline Information Systems is an authorized reseller that has agreed to sell Synnex products to the County of Monterey on these favorable terms.

The Chief Information Officer recommends approval to procure from Mainline Information Systems on an as-needed basis for maintaining, supporting IT related hardware, software, and services, which may include technical support and professional services.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:
County Counsel has reviewed the Agreement with TD Synnex Corporation. The Auditor-Controller's Office reviewed the contract but does not agree to the non-standard payment provisions.

FINANCING:
The funds for payment of the costs of this Agreement are included in the FY 2025-2026 Adopted Budget for the Information Technology Department, ITD 1930, Appropriations Unit INF002. Future year budget requirements will be included with each respective fiscal year budget submission.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
The authorization to utilize this cooperative agreement on an as-needed basis, will allow the County to procure IT related products and services at favorable rates.

____ Well-Being and Quality of Life
X Sustainable Infrastructure for the Present and Future
____ Safe and Resilient Communities

____ Diverse and Thriving Economy
____ Dynamic Organization and Employer of Choice

____ Administrative [Include one or two sentences referencing the Ordinance, Code, Board Order/Resolution, etc. in relation to this selection]

Prepared by: Sandra Shaffer, Management Analyst III, 759-6957

Approved by: Eric A. Chatham, Chief Information Officer, 759-6920

Attachments:
Agreement Contract #01-170
Authorized Resellers List
OMNIA Partners Advanced Technology Solutions Aggregator
<https://www.omniapartners.com/suppliers/td-synnex/public-sector/contract-documents>

Region 14 Education Service Center

Contract # 01-170

for

Advanced Technology Solutions Aggregator

with

TD SYNNEX Corporation

Effective: December 14, 2023

The following documents comprise the executed contract between the Region 14 Education Service Center, and TD SYNNEX effective December 14, 2023:

I. Vendor Award Letter
II. Master Agreement-General T&Cs and executed signature form
III. Supplier's Response to the RFP, incorporated

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Region XIV Education Service Center

1850 Highway 351
Abilene, TX 79601-4750
325-675-8600
FAX 325-675-8659

Thursday, December 14th, 2023

TD SYNNEX Corporation
ATTN: Edward W. Somers
39 Pellham Ridge Drive
Greenville, SC 29615

Dear Edward:

Region XIV Education Service Center is happy to announce that TD SYNNEX Corporation has been awarded an annual contract for Advanced Technology Solutions Aggregator based on the proposal submitted to Region XIV ESC.

The contract is effective immediately and will expire on December 31st, 2026. The contract can then be renewed annually for an additional two years, if mutually agreed on by Region XIV ESC and TD SYNNEX Corporation

We look forward to a long and successful partnership underneath this contract.

If you have any questions or concerns, feel free to contact me at 325-675-8600.

Sincerely,

DocuSigned by:
Shane Fields
8998FD6E54EE4E7...

Shane Fields
Region XIV, Executive Director

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NOTICE TO RESPONDENT:

Submittal Deadline:
Thursday, November 16th, 2023, 2:00pm CT

Questions regarding this solicitation must be submitted to questions@ncpa.us no later than Thursday November 2nd, 2023. All questions and answers will be posted to https://info.omniapartners.com/solicitations.

It is the intention of Region 14 Education Service Center (herein "Region 14 ESC") to establish a Master Agreement for Advanced Technology Solutions Aggregator for use by Region 14 ESC and other public agencies supported under this contract. This Request for Proposal is issued on behalf of the National Cooperative Purchasing Alliance through a public agency clause, which provides that any county, city, special district, local government, school district, private K-12 school, higher education institution, state, other government agency, healthcare organization or nonprofit organization may purchase Products and Services through this contract. Respondents will be required to execute the NCPA Administration Agreement upon award.

This contract will allow agencies to purchase on an "as needed" basis from a competitively awarded contract. Respondents are requested to submit their total line of available products and services. While this solicitation specifically covers Advanced Technology Solutions Aggregator, respondents are encouraged to submit an offering on any or and all products and services available that they currently perform in their normal course of business.

Responses shall be received electronically no later than the submittal deadline via our online Bonfire portal at ncpa.bonfirehub.com

Immediately following the deadline, all responses will be publicly opened and the respondents recorded. Any response received later than the specified deadline will be disqualified.

Responses will remain sealed by our online Bonfire portal until the bid opening time specified. Responses received outside our online Bonfire portal will not be accepted. Sealed responses may be submitted on any or all items, unless stated otherwise.

Proposal may be rejected for failure to comply with the requirements set forth in this invitation.

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INTRODUCTION/SCOPE

Region 14 ESC on behalf of itself and all states, local governments, school districts, and higher education institutions in the United States of America, and other government agencies and non-profit organizations (herein "Public Agency" or collectively "Public Agencies") is soliciting proposals from qualified vendors to enter into a Master Agreement for a complete line of Advanced Technology Solutions Aggregator.

Region 14 ESC, as the lead public agency, has partnered with NCPA to make the resultant contract available to all participating agencies in the United States. NCPA provides marketing and administrative support for the awarded vendor that promotes the successful vendor's products and services to Public Agencies nationwide. The Vendor will execute the NCPA Administration Agreement (Tab 2) upon award. Vendor should thoroughly review all documents and note any exceptions to NCPA terms and conditions in their proposal.

Awarded vendor(s) shall perform covered product or services under the terms of this agreement. Respondents shall provide pricing based on a discount from their standard pricing schedules for products and/or services offered. Electronic Catalog and/or price lists must accompany the proposal. Multiple percentage discount structure is also acceptable. Please specify where different percentage discounts apply. Additional pricing and/or discounts may be included.

Each product or service proposed is to be priced separately with all ineligible items identified. Services may be awarded to multiple vendors. Respondents may elect to limit their proposals to a single product or service within any category, or multiple products or services within any and all categories.

The National Cooperative Purchasing Alliance (herein "NCPA") assists public agencies to increase their efficiency and reduce their costs when procuring goods and services. This is accomplished by awarding competitively solicited contracts that are leveraged nationally by combining the volumes and purchasing power of entities nationwide. Our contracts are available for use by any entity that complies with procurement laws and regulations.

It is the intention of Region 14 ESC and NCPA to achieve the following objectives through this RFP.

- Provide a comprehensive competitively solicited Master Agreement offering Products and Services to Public Agencies;
- Achieve cost savings of Vendors and Public Agencies through a single competitive solicitation process that eliminates the need for multiple proposals;
- Combine the purchasing power of Public Agencies to achieve cost effective pricing;
- Reduce the administrative and overhead costs of Vendors and Public Agencies through state of the art purchasing procedures.

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INSTRUCTIONS TO RESPONDENTS

Submission of Response

- Only responses received via our online Bonfire portal will be accepted. Faxed or mailed responses will not be accepted.
- Responses may be submitted on any or all items, unless stated otherwise. Region 14 ESC reserves the right to reject or accept any response.
- Deviations to the terms, conditions and/or specifications shall be conspicuously noted in writing by the respondent and shall be included with the response.
- Withdrawal of response will not be allowed for a period of 120 days following the opening. Pricing will remain firm for 120 days from submittal.

Public Bid Opening

The public bid opening will be held via Zoom meeting. Interested parties who wish to attend the bid opening should email contracts@ncpa.us by 4:00 pm the day before the bid opening date to receive an invitation.

Required Proposal Format

Responses shall be provided electronically via our online Bonfire portal. Tabs should be used to separate the proposal into sections, as identified below. Respondents failing to organize in the manner listed may be considered non-responsive and may not be evaluated. It's recommended that all tabs, with the exception of Tab 7 (Pricing), be submitted in Portable Document Format (PDF). Please note pricing can be submitted separately in a alternate format (e.g. xlsx, xls, csv).

Tabs

Tab 1 – Master Agreement / Signature Form
Tab 2 – NCPA Administration Agreement
Tab 3 – Vendor Questionnaire
Tab 4 – Vendor Profile
Tab 5 – Products and Services / Scope
Tab 6 – References
Tab 7 – Pricing
Tab 8 – Value Added Products and Services
Tab 9 – Required Documents

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TAB 1
MASTER AGREEMENT - GENERAL TERMS AND CONDITIONS

Customer Support
The vendor shall provide timely and accurate technical advice and sales support. The vendor shall respond to such requests within one (1) working day after receipt of the request.

Disclosures
Respondent affirms that he/she has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with this contract.

The respondent affirms that, to the best of his/her knowledge, the offer has been arrived at independently, and is submitted without collusion with anyone to obtain information or gain any favoritism that would in any way limit competition or give an unfair advantage over other vendors in the award of this contract.

Renewal of Contract
Unless otherwise stated, all contracts are for a period of three (3) years with an option to renew for up to two (2) additional one-year terms or any combination of time equally not more than 2 years if agreed to by Region 14 ESC and the vendor.

Funding Out Clause
Any/all contracts exceeding one (1) year shall include a standard “funding out” clause. A contract for the acquisition, including lease, of real or personal property is a commitment of the entity’s current revenue only, provided the contract contains either or both of the following provisions:

Retains to the entity the continuing right to terminate the contract at the expiration of each budget period during the term of the contract and is conditioned on a best efforts attempt by the entity to obtain appropriate funds for payment of the contract.

Shipments (if applicable)
The awarded vendor shall ship ordered products within seven (7) working days for goods available and within four (4) to six (6) weeks for specialty items after the receipt of the order unless modified. If a product cannot be shipped within that time, the awarded vendor shall notify the entity placing the order as to why the product has not shipped and shall provide an estimated shipping date. At this point the participating entity may cancel the order if estimated shipping time is not acceptable.

Tax Exempt Status
Since this is a national contract, knowing the tax laws in each state is the sole responsibility of the vendor.

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Payments
The entity using the contract will make payments directly to the awarded vendor or their affiliates (distributors/business partners/resellers) as long as written request and approval by NCPA is provided to the awarded vendor.

Adding Authorized Distributors/Dealers
Awarded vendors may submit a list of distributors/partners/resellers to sell under their contract throughout the life of the contract. Vendor must receive written approval from NCPA before such distributors/partners/resellers considered authorized.

Purchase orders and payment can only be made to awarded vendor or distributors/ business partners/resellers previously approved by NCPA.

Pricing provided to members by added distributors or dealers must also be less than or equal to the pricing offered by the awarded contract holder.

All distributors/partners/resellers are required to abide by the Terms and Conditions of the vendor's agreement with NCPA.

Pricing
All pricing submitted shall include the administrative fee to be remitted to NCPA by the awarded vendor. It is the awarded vendor’s responsibility to keep all pricing up to date and on file with NCPA.

All deliveries shall be freight prepaid, F.O.B. destination and shall be included in all pricing offered unless otherwise clearly stated in writing

Warranty
Proposal should address the following warranty information:

- Applicable warranty and/or guarantees of equipment and installations including any conditions and response time for repair and/or replacement of any components during the warranty period.
- Availability of replacement parts
- Life expectancy of equipment under normal use
- Detailed information as to proposed return policy on all equipment

Products: Vendor shall provide equipment, materials and products that are new unless otherwise specified, of good quality and free of defects
Construction: Vendor shall perform services in a good and workmanlike manner and in accordance with industry standards for the service provided.

Safety
Vendors performing services shall comply with occupational safety and health rules and regulations. Also all vendors and subcontractors shall be held responsible for the safety of their employees and any conditions that may cause injury or damage to persons or property.

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Permits
Since this is a national contract, knowing the permit laws in each state is the sole responsibility of the vendor.

Indemnity
The awarded vendor shall protect, indemnify, and hold harmless Region 14 ESC and its participants, administrators, employees and agents against all claims, damages, losses and expenses arising out of or resulting from the actions of the vendor, vendor employees or vendor subcontractors in the preparation of the solicitation and the later execution of the contract.

Franchise Tax
The respondent hereby certifies that he/she is not currently delinquent in the payment of any franchise taxes.

Supplemental Agreements
The entity participating in this contract and awarded vendor may enter into a separate supplemental agreement to further define the level of service requirements over and above the minimum defined in this contract i.e. invoice requirements, ordering requirements, specialized delivery, etc. Any supplemental agreement developed as a result of this contract is exclusively between the participating entity and awarded vendor.

Additional Agreements
If an awarded vendor requires additional agreements, i.e., master service agreement, end user licensing agreement, etc. a copy of the proposed agreement must be included with the proposal. Any additional agreements provided by the vendor are complementary to the terms and conditions stated herein or for the use of participating entities and shall not replace the entirety of the Master Agreement.

Certificates of Insurance
Certificates of insurance shall be delivered to the Public Agency prior to commencement of work. The insurance company shall be licensed in the applicable state in which work is being conducted. The awarded vendor shall give the participating entity a minimum of ten (10) days notice prior to any modifications or cancellation of policies. The awarded vendor shall require all subcontractors performing any work to maintain coverage as specified.

Legal Obligations
It is the Respondent's responsibility to be aware of and comply with all local, state, and federal laws governing the sale of products/services identified in this RFP and any awarded contract and shall comply with all while fulfilling the RFP. Applicable laws and regulation must be followed even if not specifically identified herein.

Protest
A protest of an award or proposed award must be filed in writing within ten (10) days from the date of the official award notification and must be received by 5:00 pm CST. Protests shall be filed with Region 14 ESC and shall include the following:

- Name, address and telephone number of protester

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- Original signature of protester or its representative
- Identification of the solicitation by RFP number
- Detailed statement of legal and factual grounds including copies of relevant documents and the form of relief requested

Any protest review and action shall be considered final with no further formalities being considered.

Force Majeure
If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders and regulation of any kind of government of the United States or any civil or military authority; insurrections; riots; epidemics; pandemic; landslides; lighting; earthquake; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions, breakage or accidents to machinery, pipelines or canals, or other causes not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty

Prevailing Wage
It shall be the responsibility of the Vendor to comply, when applicable, with the prevailing wage legislation in effect in the jurisdiction of the purchaser. It shall further be the responsibility of the Vendor to monitor the prevailing wage rates as established by the appropriate department of labor for any increase in rates during the term of this contract and adjust wage rates accordingly.

Termination
Either party may cancel this contract in whole or in part by providing written notice. The cancellation will take effect 30 business days after the other party receives the notice of cancellation. After the 30th business day all work will cease following completion of final purchase order.

Open Records Policy
Because Region 14 ESC is a governmental entity responses submitted are subject to release as public information after contracts are executed. If a vendor believes that its response, or parts of its response, may be exempted from disclosure, the vendor must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt. In addition, the

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respondent must specify which exception(s) are applicable and provide detailed reasons to substantiate the exception(s).

The determination of whether information is confidential and not subject to disclosure is the duty of the Office of Attorney General (OAG). Region 14 ESC must provide the OAG sufficient information to render an opinion and therefore, vague and general claims to confidentiality by the respondent are not acceptable. Region 14 ESC must comply with the opinions of the OAG. Region14 ESC assumes no responsibility for asserting legal arguments on behalf of any vendor. Respondent are advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

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PROCESS

Region 14 ESC will evaluate proposals in accordance with, and subject to, the relevant statutes, ordinances, rules, and regulations that govern its procurement practices. NCPA will assist Region 14 ESC in evaluating proposals. Award(s) will be made to the prospective vendor whose response is determined to be the most advantageous to Region 14 ESC, NCPA, and its participating agencies. To qualify for evaluation, response must have been submitted on time, and satisfy all mandatory requirements identified in this document.

Contract Administration
The contract will be administered by Region 14 ESC. The National Program will be administered by NCPA on behalf of Region 14 ESC.

Contract Term
The contract term will be for three (3) year starting from the date of the award. The contract may be renewed for up to two (2) additional one-year terms or any combination of time equally not more than 2 years.

It should be noted that maintenance/service agreements may be issued for up to (5) years under this contract even if the contract only lasts for the initial term of the contract. NCPA will monitor any maintenance agreements for the term of the agreement provided they are signed prior to the termination or expiration of this contract.

Contract Waiver
Any waiver of any provision of this contract shall be in writing and shall be signed by the duly authorized agent of Region 14 ESC. The waiver by either party of any term or condition of this contract shall not be deemed to constitute waiver thereof nor a waiver of any further or additional right that such party may hold under this contract.

Price Increases
Should it become necessary, price increase requests may be submitted at any point during the term of the contract by written amendment. Included with the request must be documentation and/or formal cost justification for these changes. Requests will be formally reviewed, and if justified, the amendment will be approved.

Products and Services Additions
New Products and/or Services may be added to the resulting contract at any time during the term by written amendment, to the extent that those products and/or services are within the scope of this RFP.

Competitive Range
It may be necessary for Region 14 ESC to establish a competitive range. Responses not in the competitive range are unacceptable and do not receive further award consideration.

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Deviations and Exceptions
Deviations or exceptions stipulated in response may result in disqualification. It is the intent of Region 14 ESC to award a vendor's complete line of products and/or services, when possible.

Estimated Quantities
While no minimum volume is guaranteed, the estimated (but not limited to) annual volume for Products and Services purchased under the proposed Master Agreement is 250 million dollars annually. This estimate is based on the anticipated volume of Region 14 ESC and current sales within the NCPA program.

Evaluation
Region 14 ESC will review and evaluate all responses in accordance with, and subject to, the relevant statutes, ordinances, rules and regulations that govern its procurement practices. NCPA will assist the lead agency in evaluating proposals. Recommendations for contract awards will be based on multiple factors, each factor being assigned a point value based on its importance.

Formation of Contract
A response to this solicitation is an offer to contract with Region 14 ESC based upon the terms, conditions, scope of work, and specifications contained in this request. A solicitation does not become a contract until it is accepted by Region 14 ESC. The prospective vendor must submit a signed Signature Form with the response thus, eliminating the need for a formal signing process. Contract award letter issued by Region 14 ESC is the counter-signature document establishing acceptance of the contract.

NCPA Administrative Agreement
The vendor will be required to enter and execute the National Cooperative Purchasing Alliance Administration Agreement with NCPA upon award with Region 14 ESC. The agreement establishes the requirements of the vendor with respect to a nationwide contract effort.

Clarifications/Discussions
Region 14 ESC may request additional information or clarification from any of the respondents after review of the proposals received for the sole purpose of elimination minor irregularities, informalities, or apparent clerical mistakes in the proposal. Clarification does not give respondent an opportunity to revise or modify its proposal, except to the extent that correction of apparent clerical mistakes results in a revision. After the initial receipt of proposals, Region 14 ESC reserves the right to conduct discussions with those respondent's whose proposals are determined to be reasonably susceptible of being selected for award. Discussions occur when oral or written communications between Region 14 ESC and respondent's are conducted for the purpose clarifications involving information essential for determining the acceptability of a proposal or that provides respondent an opportunity to revise or modify its proposal. Region 14 ESC will not assist respondent bring its proposal up to the level of other proposals through discussions. Region 14 ESC will not indicate to respondent a cost or price that it must meet to neither obtain further consideration nor will it provide any information about other respondents' proposals or prices.

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Multiple Awards
Multiple Contracts may be awarded as a result of the solicitation. Multiple Awards will ensure that any ensuing contracts fulfill current and future requirements of the diverse and large number of participating public agencies.

Past Performance
Past performance is relevant information regarding a vendor's actions under previously awarded contracts; including the administrative aspects of performance; the vendor's history of reasonable and cooperative behavior and commitment to customer satisfaction; and generally, the vendor's businesslike concern for the interests of the customer.

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EVALUATION CRITERIA

Pricing (40 points)
Electronic Price Lists

- Products, Services, Warranties, etc. price list
- Prices listed will be used to establish both the extent of a vendor's product lines, services, warranties, etc. available from a particular bidder and the pricing per item.

Ability to Provide and Perform the Required Services for the Contract (25 points)

- Product Delivery within participating entities specified parameters
- Number of line items delivered complete within the normal delivery time as a percentage of line items ordered.
- Vendor's ability to perform towards above requirements and desired specifications.
- Past Cooperative Program Performance. Quantity of line items available that are commonly purchased by the entity.
- Quantity of line items available that are commonly purchased by the entity.
- Quality of line items available compared to normal participating entity standards.

References and Experience (20 points)

- A minimum of ten (10) customer references for product and/or services of similar scope dating within past 3 years
- Respondent Reputation in marketplace
- Past Experience working with public sector.
- Exhibited understanding of cooperative purchasing

Value Added Products/Services Description, (8 points)

- Additional Products/Services related to the scope of RFP
- Marketing and Training
- Programs and practices that may be advantageous to Public Agencies
- Customer Service

Technology for Supporting the Program (7 points)

- Electronic on-line catalog, order entry use by and suitability for the entity's needs
- Quality of vendor's on-line resources for NCPA members.
- Specifications and features offered by respondent's products and/or services

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SIGNATURE FORM

The undersigned hereby proposes and agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices proposed within response unless noted in writing. The undersigned further certifies that he/she is an officer of the company and has authority to negotiate and bind the company named below and has not prepared this bid in collusion with any other Respondent and that the contents of this proposal as to prices, terms or conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any person engaged in this type of business prior to the official opening of this proposal.

Prices are guaranteed: **120 days**

TD SYNNEX Corporation
Company Name

39 Pelham Ridge Drive
Address

Greenville	SC	29615
City	State	Zip

864-349-4390	510-360-6609
Telephone Number	Fax Number

ed.somers@tdsynnex.com
Email Address

Edward W. Somers	Vice President, Public Sector
Printed Name	Position

DocuSigned by:
Edward Somers
7A201C431EE340C...
Authorized Signature

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TAB 3
VENDOR QUESTIONAIRE

Please provide responses to the following questions that address your company's operations, organization, structure, and processes for providing products and services.

Locations Covered

- Bidder must indicate any and all locations where products and services can be offered.

☑ **All 50 States & District of Columbia** (Selecting this box is equal to checking all boxes below)			
☐ Alabama	☐ Illinois	☐ Montana	☐ Rhode Island
☐ Alaska	☐ Indiana	☐ Nebraska	☐ South Carolina
☐ Arizona	☐ Iowa	☐ Nevada	☐ South Dakota
☐ Arkansas	☐ Kansas	☐ New Hampshire	☐ Tennessee
☐ California	☐ Massachusetts	☐ New Jersey	☐ Texas
☐ Colorado	☐ Michigan	☐ New Mexico	☐ Utah
☐ Connecticut	☐ Minnesota	☐ New York	☐ Vermont
☐ Delaware	☐ Mississippi	☐ North Carolina	☐ Virginia
☐ D.C.	☐ Missouri	☐ North Dakota	☐ Washington
☐ Florida	☐ Kentucky	☐ Ohio	☐ West Virginia
☐ Georgia	☐ Louisiana	☐ Oklahoma	☐ Wisconsin
☐ Hawaii	☐ Maine	☐ Oregon	☐ Wyoming
☐ Idaho	☐ Maryland	☐ Pennsylvania	

☑ **All U.S. Territories and Outlying Areas** (Selecting this box is equal to checking all boxes below)	
☐ American Samoa	☐ Northern Marina Island
☐ Federated States of Micrones	☐ Puerto Rico
☐ Guam	☐ U.S. Virgin Islands
☐ Midway Islands	

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☐ **All Canada Provinces and Territories** (Selecting this box is equal to checking all boxes below)	
☐ Alberta	☐ Prince Edward Island
☐ British Columbia	☐ Quebec
☐ Manitoba	☐ Saskatchewan
☐ New Brunswick	☐ Northwest Territories
☐ Newfoundland and Labrador	☐ Nunavut
☐ Nova Scotia	☐ Yukon
☐ Ontario	

If awarded a Master Agreement, will your company extend the terms offered in your Proposal to public agencies in Canada? If no or maybe, please explain.

☐ Yes ☑ Maybe ☐ No TD SYNNEX Canda is a seperate entity from TD SYNNEX.

If awarded a Master Agreement, will your company extend the terms offered in your Proposal to private sector customers?

☑ Yes ☐ Maybe ☐ No

Minority and Women Business Enterprise (MWBE) and (HUB) Participation
It is the policy of some entities participating in NCPA to involve minority and women business enterprises (MWBE) and historically underutilized businesses (HUB) in the purchase of goods and services. Respondents shall indicate below whether or not they are an M/WBE or HUB certified.

☐ Minority/Women Business Enterprise
Respondent Certifies that this firm a Minority / Women Business Enterprise

☐ Historically Underutilized Business
Respondent Certifies that this firm is a Historically Underutilized Business

Small Business, MWBE and HUB Growth
If Proposer is a Large, National or Multinational Organization/Corporation, what programs are in place that partners or supports the growth of small and MWEB and HUB business? If yes, please describe.

☐ N/A, we are a recognized small, MWEB or HUB organization

☐ No, we do not have any programs in place.

☑ Yes, we have programs in place.

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Residency
Responding Company's principal place of business is in the city of Greenville,
State of South Carolina.

Felony Conviction Notice
Please Check Applicable Box (If the 3rd box is checked, a detailed explanation of the names and convictions must be attached):

☑ A publicly held corporation; therefore, this reporting requirement is not applicable.

☐ Is not owned or operated by anyone who has been convicted of a felony.

☐ Is owned or operated by the following individual(s) who has/have been convicted of a felony

Distribution Channel
Which best describes your company's position in the distribution channel:

☐ Manufacturer Direct ☐ Certified education/government reseller

☑ Authorized Distributor ☐ Manufacturer marketing through reseller

☐ Value-added reseller ☐ Other: _____

Processing Contact Information

Contact Person	Destiny Lark
Title	Manager
Company	TD SYNNEX
Address	39 Pelham Ridge Dr.
City/State/Zip	Greenville, SC 29615
Phone	864-349-4713
Email	destiny.lark@tdsynnex.com

Pricing Information
In addition to the current typical unit pricing furnished herein, the Vendor agrees to offer all future product introductions at prices that are proportionate to Contract Pricing. If answer is no, attach a statement detailing how pricing for NCPA participants would be calculated for future product introductions.

☑ Yes ☐ No

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Pricing submitted includes the required NCPA administrative fee. The NCPA fee is calculated based on the invoice price to the customer.

☑ Yes ☐ No

Cooperatives
List any other cooperative or state contracts currently held or in the process of securing.

Cooperative/State Agency	Discount Offered	Expires	Annual Sales Volume
National Cooperative Purchasing Alliance (NCPA) 01-97	0% to 4%*	July 31, 2024	FY2022 $101 Million
Omnia Partners Public Sector #R200803	0% to 20%*	September 30, 2025	FY2022 $2.9 Million
Equalis Group #EQ-013120-01	0% to 4%*	April 30, 2027	FY2022 $304,000
PEPPM #533902			FY2022 $7.9 Million
* Discount varies by product and vendor			

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TAB 4
VENDOR PROFILE

Please provide the following information about your company:

- Company's official registered name. TD SYNNEX Corporation

- Brief history of your company, including the year it was established. See PDF file "TD SYNNEX response Tab 4 VENDOR PROFILE Artifact 1 - History"

- Company's Dun & Bradstreet (D&B) number. 112375758

- Company's organizational chart of those individuals that would be involved in the contract. See PDF file "TD SYNNEX response Tab 4 VENDOR PROFILE - Artifact 2 Org Chart"

- Corporate office location.
  - List the number of sales and services offices for states being bid in solicitation.
  - List the names of key contacts at each with title, address, phone and e-mail address. See PDF file "TD SYNNEX response Tab 4 VENDOR PROFILE - Artifact 3 Locations"

- Define your standard terms of payment. See PDF file "TD SYNNEX response Tab 4 VENDOR PROFILE - Artifact 4 Payment"

- Who is your competition in the marketplace? Ingram Micro, D&H Distribution, Arrow Electronics, Carahsoft Technology Corp, and ImmixGroup.

- Provide Annual Sales for last 3 years broken out into the following categories:
  - Cities / Counties
  - K-12
  - Higher Education
  - Other government agencies or nonprofit organizations

  See PDF file "TD SYNNEX response Tab 4 VENDOR PROFILE - Artifact 5 Annual Sales"

- Provide the revenue that your organization anticipates each year for the first three (3) years of this agreement.

  $__88 Million_____ in year one
  $__95 Million_____ in year two
  $__101 Million_____ in year three

- What differentiates your company from competitors? See PDF file "TD SYNNEX Response Tab 4 VENDOR PROFILE - Artifact 6 Differentiators"

- Describe how your company will market this contract if awarded. See PDF File "TD SYNNEX Response Tab 4 VENDOR PROFILE - Artifact 7 Marketing"

- Describe how you intend to introduce NCPA to your company. See PDF file "TD SYNNEX response Tab 4 VENDOR PROFILE - Artifact 8 Introduction"

- Describe your firm's capabilities and functionality of your on-line catalog / ordering website. See PDF file "TD SYNNEX response Tab 4 VENDOR PROFILE - Artifact 9 Online Capabilities"

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- Describe your company's Customer Service Department (hours of operation, number of service centers, etc.) See PDF file "TD SYNNEX response Tab 4 VENDOR PROFILE - Artifact 10 Customer Service"

- Green Initiatives (if applicable)

  - As our business grows, we want to make sure we minimize our impact on the Earth's climate. We are taking every step we can to implement innovative and responsible environmental practices throughout NCPA to reduce our carbon footprint, reduce waste, energy conservation, ensure efficient computing and much more. To that effort we ask respondents to provide their companies environmental policy and/or green initiative.

  See PDF file "TD SYNNEX response Tab 4 VENDOR PROFILE - Artifact 11 Corporate-Citizenship-Report"

- Anti-Discrimination Policy (if applicable)
  - Describe your organizations' anti-discrimination policy.

  See PDF file "TD SYNNEX response Tab 4 VENDOR PROFILE - Artifact 12 Global Human Rights Policy"

- Vendor Certifications (if applicable)
  - Provide a copy of all current licenses, registrations and certifications issued by federal, state and local agencies, and any other licenses, registrations or certifications from any other governmental entity with jurisdiction, allowing respondent to perform the covered services including, but not limited to, licenses, registrations, or certifications. Certifications can include M/WBE, HUB, and manufacturer certifications for sales and service.

  See PDF file "TD SYNNEX Response Tab 4 VENDOR RESPONSE – Artifact 13 TD SYNNEX product_linecard" Other certifications, registrations, and/or licenses can be provided upon request.

- Additional Agreements (if applicable)
  - Provide a copy of additional agreements

  Can be provided upon request.

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TAB 5
PRODUCTS AND SERVICES

Respondent shall perform and provide these products and/or services under the terms of this agreement. The supplier shall assist the end user with making a determination of their individual needs.

Warranty
Proposal should address the following warranty information:

- Applicable warranty and/or guarantees of equipment and installations including any conditions and response time for repair and/or replacement of any components during the warranty period.
- Availability of replacement parts
- Life expectancy of equipment under normal use
- Detailed information as to proposed return policy on all equipment

Products

- Vendor shall provide equipment, materials and products that are new unless otherwise specified, of good quality and free of defects

Construction

- Vendor shall perform services in a good and workmanlike manner and in accordance with industry standards for the service provided.

The following is a list of suggested (but not limited to) Advanced Technology Solutions Aggregator categories. List all categories along with manufacturer that you are responding with:

- Data Center
- Data Storage
- Cyber Security
- Cloud Services
- Networking
- Telecommunication
- Mobility
- IOT
- Laptops / Notebooks / PDA’s
- Desktop Computers
- Servers
- Software
- Accessories
- Battery Back-up / Power / Surge
- Cables
- Data Storage / Drives
- Digital Imaging – Cameras / Scanner

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- Keyboard / Mice / Input Devices
- Memory / System Components
- Office Equipment
- Printers
- Sound / Multimedia
- Telecommunications Products
- Video – Monitors / Cards / Projector
- Interactive Whiteboards
- DVD / Books / Music / Video
- Services
- Installs
- Asset Management
- Managed Services
- Telecommunications
- Product Configurations
- Product Support
- Warranty
- Insurance

- Manufacturer's Authorized Distributor letters should accompany each manufacturers products submitted on the proposal.

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TAB 6
REFERENCES

Provide at least ten (10) customer references for products and/or services of similar scope dating within the past three (3) years. Please provide a range of references across all eligible government entity groups including K-12, higher education, city, county, or non-profit entities.

All references should include the following information from the entity:

- Entity Name
- Contact Name and Title
- City and State
- Phone
- Email
- Years Serviced
- Description of Services
- Annual Volume

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TAB 7
PRICING

Please submit price list electronically via our online Bonfire portal (pricing can be submitted as Discount off MSRP, cost plus, etc). Products, services, warranties, etc. should be included in price list. Prices submitted will be used to establish the extent of a respondent's products and services (Tab 5) that are available and also establish pricing per item.

Price lists must contain the following:

- Product name and part number (include both manufacturer part number and respondent part number if different from manufacturers).
- Description
- Vendor's List Price
- Percent Discount to NCPA participating entities

Not To Exceed Pricing

- NCPA requests pricing be submitted as "not to exceed pricing" for any participating entity.
- The awarded vendor can adjust submitted pricing lower but cannot exceed original pricing submitted for solicitation.
- NCPA requests that vendor honor lower pricing for similar size and scope purchases to other members.

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TAB 8
VALUE ADDED PRODUCTS AND SERVICES

Include any additional products and/or services available that vendor currently performs in their normal course of business that is not included in the scope of the solicitation that you think will enhance and add value to this contract for Region 14 ESC and all NCPA participating entities.

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TAB 9
REQUIRED DOCUMENTS

- Federal Funds Certifications
- Clean Air and Water Act & Debarment Notice
- Contractors Requirements
- Required Clauses for Federal Assistance by FTA
- Federal Required Signatures
- Antitrust Certification Statements Texas Government Code § 2155.005
- State Notice Addendum

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FEDERAL FUNDS CERTIFICATIONS

Participating Agencies may elect to use federal funds to purchase under the Master Agreement. The following certifications and provisions may be required and apply when a Participating Agency expends federal funds for any purchase resulting from this procurement process. Pursuant to 2 C.F.R. § 200.326, all contracts, including small purchases, awarded by the Participating Agency and the Participating Agency's subcontractors shall contain the procurement provisions of Appendix II to Part 200, as applicable.

APPENDIX II TO 2 CFR PART 200

(A) Contracts for more than the simplified acquisition threshold currently set at $250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

- Pursuant to Federal Rule (A) above, when a Participating Agency expends federal funds, the Participating Agency and Offeror reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

- Pursuant to Federal Rule (B) above, when a Participating Agency expends federal funds, the Participating Agency reserves the right to terminate any agreement in excess of $10,000 resulting from this procurement process in the event of a breach or default of the agreement by Offeror as detailed in the terms of the contract

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 CFR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

- Pursuant to Federal Rule (C) above, when a Participating Agency expends federal funds on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay

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wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non- Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

- Pursuant to Federal Rule (D) above, when a Participating Agency expends federal funds during the term of an award for all contracts and subgrants for construction or repair, offeror will be in compliance with all applicable Davis-Bacon Act provisions
- Any Participating Agency will include any current and applicable prevailing wage determination in each issued solicitation and provide Offeror with any required documentation and/or forms that must be completed by Offeror to remain in compliance the applicable Davis-Bacon Act provisions.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

- Pursuant to Federal Rule (E) above, when a Participating Agency expends federal funds, offeror certifies that offeror will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act during the term of an award for all contracts by Participating Agency resulting from this procurement process.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

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- Pursuant to Federal Rule (F) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (F) above

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended— Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non- Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

- Pursuant to Federal Rule (G) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency member resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (G) above

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

- Pursuant to Federal Rule (H) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency. If at any time during the term of an award the offeror or its principals becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency, the offeror will notify the Participating Agency

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

- Pursuant to Federal Rule (I) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term and after the awarded term of an award for all contracts by Participating Agency resulting from this procurement process, the

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offeror certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

- No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, 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 a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
- If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying”, in accordance with its instructions.
- The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding $100,000 in Federal funds at all appropriate tiers and all subrecipients shall certify and disclose accordingly.

RECORD RETENTION REQUIREMENTS FOR CONTRACTS INVOLVING FEDERAL FUNDS

When federal funds are expended by Participating Agency for any contract resulting from this procurement process, offeror certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.334. The offeror further certifies that offeror will retain all records as required by 2 CFR § 200.334 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When Participating Agency expends federal funds for any contract resulting from this procurement process, offeror certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

To the extent purchases are made with Federal Highway Administration, Federal Railroad Administration, or Federal Transit Administration funds, offeror certifies that its products comply with all applicable provisions of the Buy America Act and agrees to provide such certification or applicable waiver with respect to specific products to any Participating Agency upon request. Participating Agencies will clearly identify whether Buy America Provisions apply in any issued solicitation. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition.

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CERTIFICATION OF ACCESS TO RECORDS

Offeror agrees that the Inspector General of the Agency or any of their duly authorized representatives shall have access to any non-financial documents, papers, or other records of offeror that are pertinent to offeror's discharge of its obligations under the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to offeror's personnel for the purpose of interview and discussion relating to such documents. This right of access will last only as long as the records are retained.

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Offeror agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

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CLEAN AIR AND WATER ACT AND DEBARMENT NOTICE

By the signature below (Under Federal Required Signatures), I, the Vendor, am in compliance with all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970, as Amended (42 U.S. C. 1857 (h), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15 as required under OMB Circular A-102, Attachment O, Paragraph 14 (1) regarding reporting violations to the grantor agency and to the United States Environment Protection Agency Assistant Administrator for the Enforcement.

I hereby further certify that my company has not been debarred, suspended or otherwise ineligible for participation in Federal Assistance programs under Executive Order 12549, “Debarment and Suspension”, as described in the Federal Register and Rules and Regulations.

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CONTRACTOR REQUIRMENTS

Contractor Certification
Contractor's Employment Eligibility
By entering the contract, Contractor warrants compliance with the Federal Immigration and Nationality Act (FINA), and all other federal and state immigration laws and regulations. The Contractor further warrants that it is in compliance with the various state statues of the states it is will operate this contract in.

Participating Government Entities including School Districts may request verification of compliance from any Contractor or subcontractor performing work under this Contract. These Entities reserve the right to confirm compliance in accordance with applicable laws.

Should the Participating Entities suspect or find that the Contractor or any of its subcontractors are not in compliance, they may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

The offeror complies and maintains compliance with the appropriate statutes which requires compliance with federal immigration laws by State employers, State contractors and State subcontractors in accordance with the E-Verify Employee Eligibility Verification Program.

Contractor shall comply with governing board policy of the NCPA Participating entities in which work is being performed.

Fingerprint & Background Checks
If required to provide services on school district property at least five (5) times during a month, contractor shall submit a full set of fingerprints to the school district if requested of each person or employee who may provide such service. Alternately, the school district may fingerprint those persons or employees. An exception to this requirement may be made as authorized in Governing Board policy. The district shall conduct a fingerprint check in accordance with the appropriate state and federal laws of all contractors, subcontractors or vendors and their employees for which fingerprints are submitted to the district. Contractor, subcontractors, vendors and their employees shall not provide services on school district properties until authorized by the District.

The offeror shall comply with fingerprinting requirements in accordance with appropriate statutes in the state in which the work is being performed unless otherwise exempted.

Contractor shall comply with governing board policy in the school district or Participating Entity in which work is being performed.

Business Operations in Sudan, Iran
In accordance with A.R.S. 35-391 and A.R.S. 35-393, the Contractor hereby certifies that the contractor does not have scrutinized business operations in Sudan and/or Iran.

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REQUIRED CLAUSES FOR FEDERAL ASSISTANCE PROVIDED BY FTA

ACCESS TO RECORDS AND REPORTS

Contractor agrees to:

a) Maintain all non-financial books, records, accounts and reports required under this Contract for a period of not less than two (2) years after the date of termination or expiration of this Contract or any extensions thereof except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case Contractor agrees to maintain same until the FTA Administrator, the U.S. DOT Office of the Inspector General, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto.

b) Permit any of the foregoing parties to inspect all non-financial work, materials, and other data and records that pertain to the Project, and to audit the non-financial books, records, and accounts that pertain to the Project and to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed for the purpose of audit and examination. The right of access detailed in this section continues only as long as the records are retained.

FTA does not require the inclusion of these requirements of Article 1.01 in subcontracts.

CIVIL RIGHTS / TITLE VI REQUIREMENTS

1) Non-discrimination. In accordance with Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000d, Section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, Section 202 of the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12132, and Federal Transit Law at 49 U.S.C. § 5332, Contractor or subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, marital status age, or disability. In addition, Contractor agrees to comply with applicable Federal implementing regulations and other applicable implementing requirements FTA may issue that are flowed to Contractor from Awarding Participating Agency.

2) Equal Employment Opportunity. The following Equal Employment Opportunity requirements apply to this Contract:

   a. Race, Color, Creed, National Origin, Sex. In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal Transit Law at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable Equal Employment Opportunity requirements of U.S. Dept. of Labor regulations, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor, 41 CFR, Parts 60 et seq., and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may affect construction activities undertaken in the course of this Project. Contractor agrees

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to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, marital status, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, Contractor agrees to comply with any implementing requirements FTA may issue that are flowed to Contractor from Awarding Participating Agency.

b. Age. In accordance with the Age Discrimination in Employment Act (ADEA) of 1967, as amended, 29 U.S.C. Sections 621 through 634, and Equal Employment Opportunity Commission (EEOC) implementing regulations, "Age Discrimination in Employment Act", 29 CFR Part 1625, prohibit employment discrimination by Contractor against individuals on the basis of age, including present and prospective employees. In addition, Contractor agrees to comply with any implementing requirements FTA may issue that are flowed to Contractor from Awarding Participating Agency.

c. Disabilities. In accordance with Section 102 of the Americans with Disabilities Act of 1990, as amended (ADA), 42 U.S.C. Sections 12101 *et seq.*, prohibits discrimination against qualified individuals with disabilities in programs, activities, and services, and imposes specific requirements on public and private entities. Contractor agrees that it will comply with the requirements of the Equal Employment Opportunity Commission (EEOC), "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR, Part 1630, pertaining to employment of persons with disabilities and with their responsibilities under Titles I through V of the ADA in employment, public services, public accommodations, telecommunications, and other provisions.

d. Segregated Facilities. Contractor certifies that their company does not and will not maintain or provide for their employees any segregated facilities at any of their establishments, and that they do not and will not permit their employees to perform their services at any location under the Contractor's control where segregated facilities are maintained. As used in this certification the term "segregated facilities" means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion or national origin because of habit, local custom, or otherwise. Contractor agrees that a breach of this certification will be a violation of this Civil Rights clause.

3) Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations, either by competitive bidding or negotiation, made by Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligations under this Contract and the regulations relative to non-discrimination on the grounds of race, color, creed, sex, disability, age or national origin.

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4) Sanctions of Non-Compliance. In the event of Contractor's non-compliance with the non-discrimination provisions of this Contract, Public Agency shall impose such Contract sanctions as it or the FTA may determine to be appropriate, including, but not limited to: 1) Withholding of payments to Contractor under the Contract until Contractor complies, and/or; 2) Cancellation, termination or suspension of the Contract, in whole or in part.

Contractor agrees to include the requirements of this clause in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

DISADVANTAGED BUSINESS PARTICIPATION

This Contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, "*Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs"*, therefore, it is the policy of the Department of Transportation (DOT) to ensure that Disadvantaged Business Enterprises (DBEs), as defined in 49 CFR Part 26, have an equal opportunity to receive and participate in the performance of DOT-assisted contracts.

1) Non-Discrimination Assurances. Contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. Contractor shall carry out all applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by Contractor to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or other such remedy as public agency deems appropriate. Each subcontract Contractor signs with a subcontractor must include the assurance in this paragraph. (See 49 CFR 26.13(b)).

2) Prompt Payment. Contractor is required to pay each subcontractor performing Work under this prime Contract for satisfactory performance of that work no later than thirty (30) days after Contractor's receipt of payment for that Work from public agency. In addition, Contractor is required to return any retainage payments to those subcontractors within thirty (30) days after the subcontractor's work related to this Contract is satisfactorily completed and any liens have been secured. Any delay or postponement of payment from the above time frames may occur only for good cause following written approval of public agency. This clause applies to both DBE and non-DBE subcontractors. Contractor must promptly notify public agency whenever a DBE subcontractor performing Work related to this Contract is terminated or fails to complete its Work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. Contractor may not terminate any DBE subcontractor and perform that Work through its own forces, or those of an affiliate, without prior written consent of public agency.

3) DBE Program. In connection with the performance of this Contract, Contractor will cooperate with public agency in meeting its commitments and goals to ensure that DBEs shall have the maximum practicable opportunity to compete for subcontract work, regardless of whether a contract goal is set for this Contract. Contractor agrees to use good faith efforts to carry out a policy in the award of its subcontracts, agent agreements, and procurement contracts which will, to the fullest extent, utilize DBEs consistent with the efficient performance of the Contract.

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ENERGY CONSERVATION REQUIREMENTS

Contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plans issued under the Energy Policy and Conservation Act, as amended, 42 U.S.C. Sections 6321 *et seq.* and 41 CFR Part 301-10.

FEDERAL CHANGES

Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, listed directly or by reference in the Contract between Public Agency and the FTA, and those applicable regulatory and procedural updates that are communicated to Contractor by Public Agency, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this Contract.

INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS

The provisions include, in part, certain Standard Terms and Conditions required by the U.S. Department of Transportation (DOT), whether or not expressly set forth in the preceding Contract provisions. All contractual provisions required by the DOT and applicable to the scope of a particular Contract awarded to Contractor by a Public Agency as a result of solicitation, as set forth in the most current FTA Circular 4220.1F, published February 8th, 2016, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. Contractor agrees not to knowingly perform any act, knowingly fail to perform any act, or refuse to comply with any reasonable public agency requests that would directly cause public agency to be in violation of the FTA terms and conditions.

NO FEDERAL GOVERNMENT OBLIGATIONS TO THIRD PARTIES

Agency and Contractor acknowledge and agree that, absent the Federal Government's express written consent and notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying Contract, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to agency, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract.
Contractor agrees to include the above clause in each subcontract financed in whole or in part with federal assistance provided by the FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS

Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. §§ 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, apply to its actions pertaining to this Contract. Upon execution of the underlying Contract, Contractor certifies or affirms, to the best of its knowledge, the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to me

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made, pertaining to the underlying Contract or the FTA assisted project for which this Contract Work is being performed.

In addition to other penalties that may be applicable, Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on Contractor to the extent the Federal Government deems appropriate.

Contractor also acknowledges that if it makes, or causes to me made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307 (n)(1) on the Contractor, to the extent the Federal Government deems appropriate.

Contractor agrees to include the above clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

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FEDERAL REQUIRED SIGNATURES

Offeror certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted in the pages above. It is further acknowledged that offeror agrees to comply with all federal, state, and local laws, rules, regulations and ordinances as applicable.

Offeror	TD SYNNEX Corporation
Address	39 Pelham Ridge Dr
City/State/Zip	Greenville, SC 29615-593939
Authorized Signature	DocuSigned by: Edward Somers 7A201C431EE340C...
Date	Nov 15, 2023

DocuSign Envelope ID: B7D1FC17-AF96-41AE-9866-BC8929A43C12

ANTITRUST CERTIFICATION STATEMENTS
TEXAS GOVERNMENT CODE § 2155.005

I affirm under penalty of perjury of the laws of the State of Texas that:

(1) I am duly authorized to execute this contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;

(2) In connection with this bid, neither I nor any representative of the Company has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;

(3) In connection with this bid, neither I nor any representative of the Company has violated any federal antitrust law; and

(4) Neither I nor any representative of the Company has directly or indirectly communicated any of the contents of this bid to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

Company Name	TD SYNNEX Corporation
Address	39 Pelham Ridge Dr
City/State/Zip	Greenville, SC 29615-593939
Telephone Number	864-349-4374
Fax Number	None
Email Address	Ed.Somers@tdsynnex.com
Printed Name	Edward W. Somers Jr.
Title	Vice President, Public Sector
Authorized Signature	DocuSigned by: Edward Somers 7A201C431EE340C...

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STATE NOTICE ADDENDUM

The National Cooperative Purchasing Alliance (NCPA), on behalf of NCPA and its current and potential participants to include all county, city, special district, local government, school district, private K-12 school, higher education institution, state, tribal government, other government agency, healthcare organization, nonprofit organization and all other Public Agencies located nationally in all fifty states, issues this Request for Proposal (RFP) to result in a national contract.

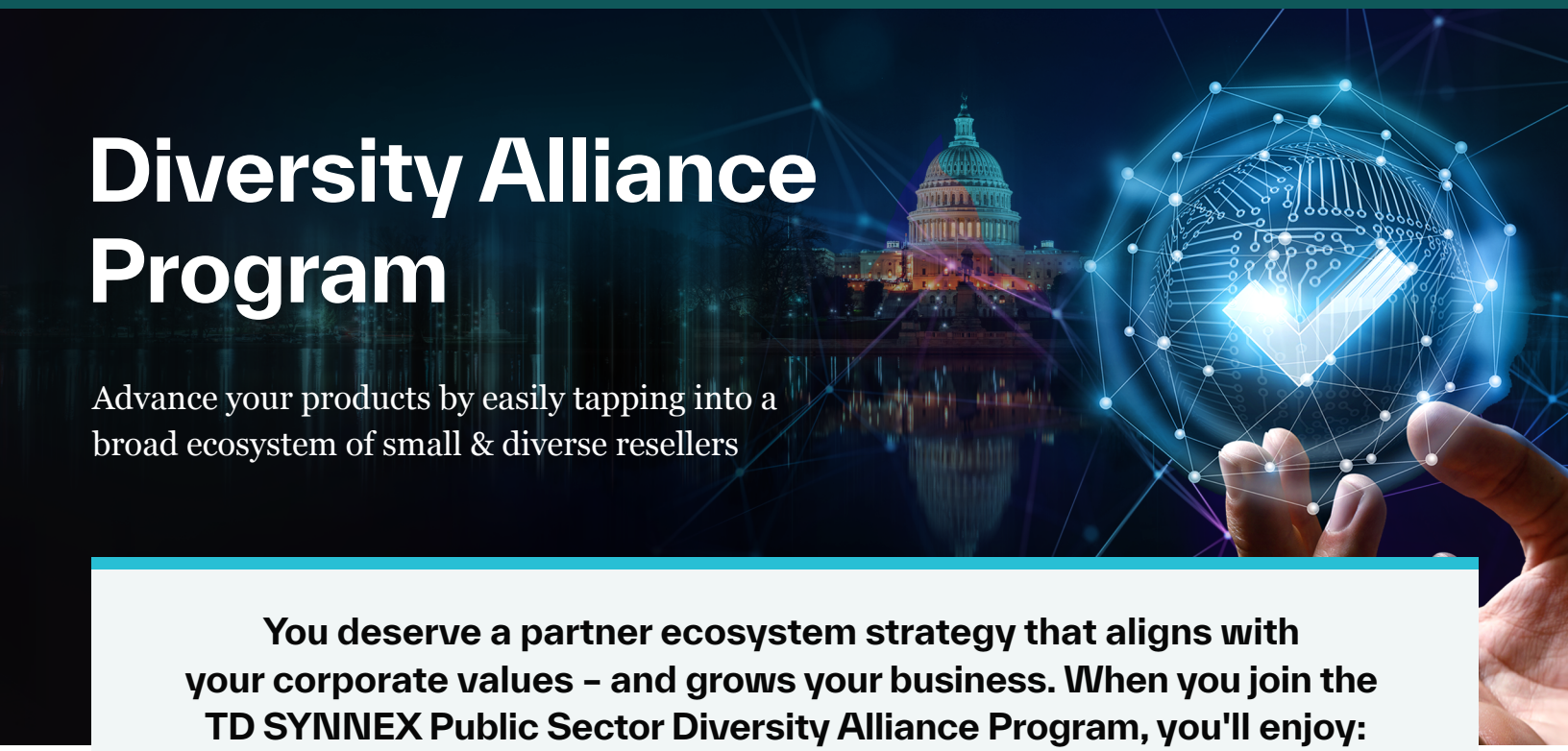
For your reference, the links below include some, but not all, of the entities included in this proposal:

http://www.usa.gov/Agencies/State_and_Territories.shtml

https://www.usa.gov/local-governments

TD SYNNEX | *Public Sector*

Diversity Alliance Program



Advance your products by easily tapping into a broad ecosystem of small & diverse resellers

You deserve a partner ecosystem strategy that aligns with your corporate values – and grows your business. When you join the TD SYNNEX Public Sector Diversity Alliance Program, you'll enjoy:

- Access to our fully vetted, small and diverse reseller ecosystem
- Brokered introductions to the right type of resellers to advance your business goals
- Enhanced ability to scale your relationships with resellers

We understand how difficult it is to curate an ecosystem of diverse resellers that have the right tech skillsets for your needs. We've combined best practices from commercial initiatives with the experience and scale of the public sector to deliver wins foreveryone.

- Grow the amount and reach of diverse resellers proactively advancing your project
- Increase the velocity and efficiency in growing your business
- Scale your relationships with small and diverse resellers
- Leverage a sustainable, diverse reseller strategy

Tell your TD SYNNEX Product Marketing Manager you want the TD SYNNEX Public Sector Diversity Alliance Program

Visit our website: tdsynnex.com/na/us/td-synnex-public-sector/
For Questions, Email: publicsector@tdsynnex.com

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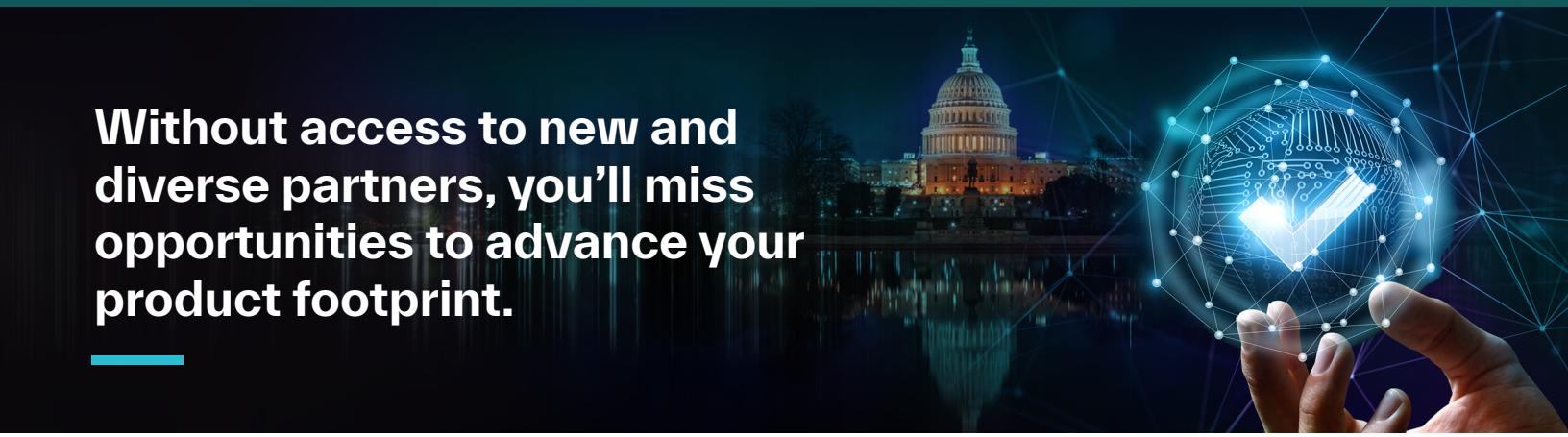
TD SYNNEX | *Public Sector*



Without access to new and diverse partners, you'll miss opportunities to advance your product footprint.

Access our **fully vetted reseller ecosystem** and create positive momentum that grows your business.

- Get Concierge-Level Relationship Management
- Grow Fruitful Relationships with Resellers
- Access a Robust and Diverse Ecosystem
- Get Accurate and Insightful ROI Reporting

Pursuing a diverse reseller strategy on your own can increase burnout and hinder efficiency. Join the TD SYNNEX Diversity Alliance Program to win more business **without getting left behind.**

- Leverage a ready made solution to help you win more business that aligns with your values.
- Take the stress of finding small and diverse resellers off the plate of your team members – giving them time and resources back in their day to do their jobs well.
- Deploy a sustainable, diverse reseller strategy and increase the reach of your organization.

TD SYNNEX Public Sector is a powerhouse built with a purpose. We bolster U.S. public sector business for our technology vendors and channel partners and help your end-user customers meet their mission. Our 75 years of combined dedication and service to the U.S. public sector, along with our reach back to 22,000+ of the IT industry's best and brightest positions us as the best partner to help your company reach its fullest potential.

Tell your TD SYNNEX Product Marketing Manager you want the TD SYNNEX Public Sector Diversity Alliance Program

Visit our website: tdsynnex.com/na/us/td-synnex-public-sector/
For Questions, Email: publicsector@tdsynnex.com

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Artifact 1 History

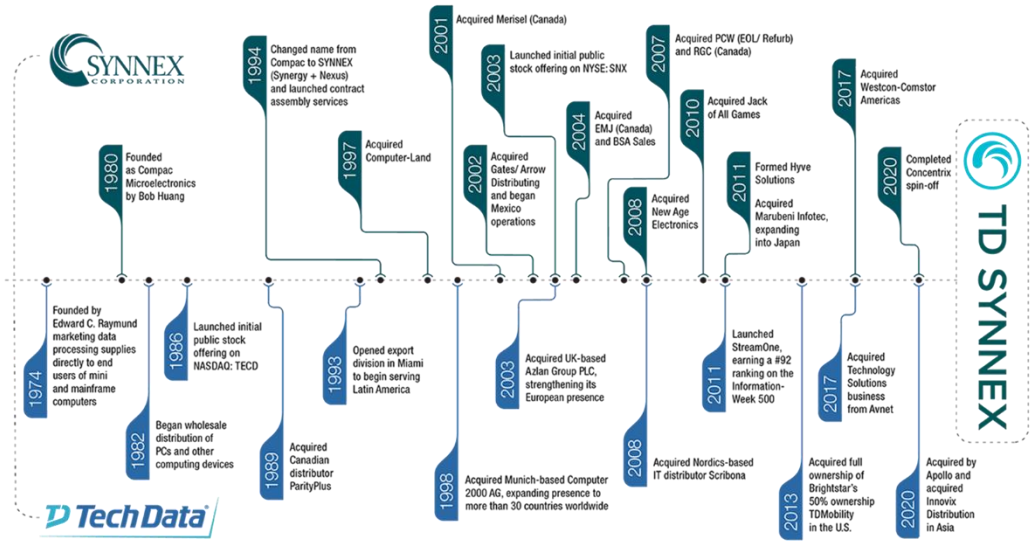
TAB 4
VENDOR PROFILE

• Brief history of your company, including the year it was established.

On March 22, 2021, SYNNEX Corporation (NYSE: SNX) and Tech Data Corporation announced a definitive merger agreement under which SYNNEX and Tech Data will combine. The combined company, with a team of over 22,000 co-workers will provide customers and vendors with expansive reach across products, services, and geographies to accelerate technology adoption. Tech Data was wholly owned by funds managed by affiliates of Apollo Global Management, Inc. (NYSE: APO) (the "Apollo Funds") and their co-investors.

The merger with Tech Data was completed on September 1, 2021. The combined company was named TD SYNNEX Corporation.

TD SYNNEX has come together through a history of balanced M&A and organic growth.



Headquartered in Fremont, CA, TD SYNNEX is an industry leader in IT distribution with global operations. TD SYNNEX is listed on the New York Stock Exchange (NYSE: SNX) and is ranked #64 on the 2023 Fortune 500. TD SYNNEX has built upon its core distribution business to create a highly efficient hybrid model that provides customers with a wide range of solutions and value-added services. A publicly-traded corporation on the New York Stock Exchange (SNX), TD SYNNEX is a global business process services company, providing outsourcing services in

IT distribution, contract assembly, logistics management, and more to resellers and original equipment manufacturers (OEMs) around the world.

TD SYNNEX distributes technology products from more than 1,500 world-leading IT OEM suppliers to more than 25,000 resellers throughout the US, Canada, and Mexico. Our focused product categories include IT systems, rugged mobility, peripherals, system components, software, and networking.

TD SYNNEX Public Sector is a specialized, fully integrated business unit that focuses on bridging the gap between technology partners and U.S. public sector organizations so they can achieve their individual missions. This is accomplished through specialized and scalable aggregator solutions, including channel enablement, engineering services and support, industry-centric marketing, the Diversity Alliance Program, and our Cloud Navigator, Enterprise Agreement Platform, Confirmed Stateside Support and Secure Software Factory offerings.

National Presence, Nationwide Distribution Capabilities

TD SYNNEX' distribution model focuses on top-tier manufacturers, offering value-added resellers, system integrators, and solution providers access through knowledge-based sales consultants. We have over 1 million square feet of warehouse space across 15 distribution centers, located strategically throughout the United States.

TD SYNNEX offers:

- Proven distribution, logistics and product management processes
- Excellent past performance in the Public Sector market
- A national presence and nationwide distribution network
- ISO 9001-certifed supply chain that increases efficiencies and reduces costs
- Supply Chain Risk Management (SCRM) Plan
- Customs-Trade Partnership Against Terrorism (C-TPAT) Certified
- Membership in Transported Asset Protection Association (TAPA)
- Experienced government contractor with both Federal and State contracts
- A nationwide network of value-added resellers and solution providers with one or more SBA certified small business socio-economic statuses.

Artifact 2 Org Chart

TAB 4
VENDOR PROFILE

• Company's organizational chart of those individuals that would be involved in the contract.

TD SYNNEX Public Sector Contracts Team Organization

Executive Team

- Eddie Franklin, Senior Vice President of Sales, Public Sector
  eddie.franklin@tdsynnex.com
- Ed Somers, Vice President, Public Sector Programs
  ed.somers@tdsynnex.com
- Randy Finley, Senior Director of Public Sector Business Development
  randy.finley@tdsynnex.com

Management Team

- Jerry Hertel, Director of Public Sector Client Executives
  jerry.hertel@tdsynnex.com
- Mike Gambrell, Director of State and Local Government Vertical Alliance
  mike.gambrell@tdsynnex.com
- Steve Wells, Vice President of Program Management
  steve.wells@tdsynnex.com

Business Development Team

- Jamie Grimm, Senior Manager or Contracts Business Development
  jamie.grimm@tdsynnex.com
- Greg Villamarin, Bid Desk Supervisor

greg.vilamarin@tdsynnex.com

- Nick Coperine, Senior Contracts Business Development,Southeastern US

  nicholas.coperine@tdsynnex.com
- Travis Matthews, Contracts Business Development, Central US

  travis.matthews@tdsynnex.com
- Lisa McElroy, Contracts Business Development, Northeast US

  lisa.mcelroy@tdsynnex.com
- Caroline Trembly, Contracts Business Development, West US

  caroline.trembly@tdsynnex.com

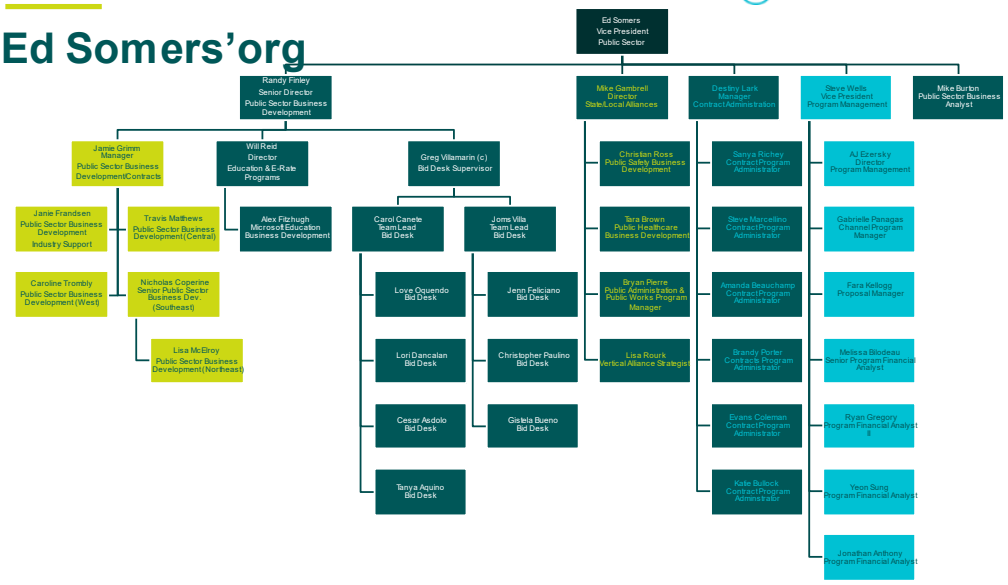
Each member of the TD SYNNEX Public Sector Contracts Team is involved in the ongoing success of the NCPA contract through reseller recruitment, solution development, and contract compliance.

TD SYNNEX | Public Sector

Eddie Franklin's org

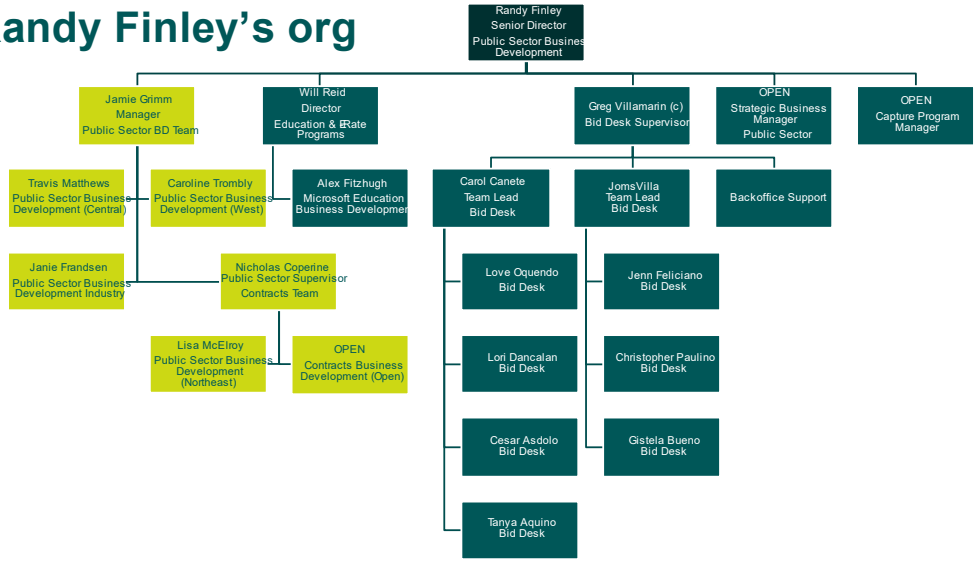
TD SYNNEX | Public Sector

Ed Somers'org



TD SYNNEX | Public Sector

Randy Finley's org



Artifact 3 Locations

TAB 4
VENDOR PROFILE

- **Corporate office location.**
  - **List the number of sales and services offices for states being bid in solicitation.**

With 15 distribution and 5 office facilities nationwide, TD SYNNEX gets the right products to market, right-on-time. In addition to reducing shipping times, our regional warehouse placement slashes freight costs to customers, helping them win deals and boosting their margins.

Our model streamlines business processes to lower costs and create greater efficiencies. We combine our core strength in distribution with our service model to provide our customers greater efficiencies in time to market, cost minimization, real time linkages in the supply chain and aftermarket product support. TD SYNNEX operates distribution facilities in the United States, Japan, England, Canada and Mexico. Our distribution processes are highly automated to reduce errors, ensure timely order fulfillment, and enhance the efficiency of our warehouse operations and back office administration. Distribution facilities are geographically located near reseller customers and their end-users. This decentralized, regional strategy enables us to benefit from lower shipping costs and shorter delivery lead times to our customers. Furthermore, we track several performance measurements to continuously improve the efficiency and accuracy of our distribution operations. Our regional locations also enable us to make local deliveries and provide will-call fulfillment to more customers than if our distribution operations were more centralized, resulting in better service to our customers.

TD SYNNEX' global presence includes:

- Sales offices and warehouses in 11 states
- National field client executives to manage the entire country for services, commodity and enterprise sales
- Focused IT distribution strategy for the United States and Canada
- 15 distribution facilities in the United States so TD SYNNEX can offer one- to two-day freight service to major metropolitan areas
- Leveraging TD SYNNEX cost efficiencies and scale
- Global BPO centers allow for 24/7 operations (North America, Central America, Asia, and Europe)
- Reseller Partners with local offices to allow for full statewide coverage

TD SYNNEX Office Facilities:

- Fremont, CA (44201 Nobel Drive, Fremont, CA 94538)

- Clearwater, FL (16202 Bay Vista Drive, Clearwater, FL 33760)
- Greenville, SC (39 Pelham Ridge Drive, Greenville, SC 29615)
- Herndon, VA (DLT Solutions, 2411 Dulles Courner Park #800, Herndon, VA 20171)
- Tempe, AZ (8700 South Price Road, Tempe, AZ 85284)

TD SYNNEX Distribution Centers:

- Chino, Califorina
- Fontana, Califorina
- Tracy, California
- Miami, Florida
- Suwanee, Georgia
- Romeoville, Illinois
- South Bend, Indiana
- Southaven, Mississippi
- South Brunswick, New Jersey
- Swedesbouro, New Jersey
- Columbus, Ohio
- Groveport, Ohio
- Fort Worth, Texas
- Garland, Texas
- Chantilly, Virginia

o List the names of key contacts at each with title, address, phone and e-mail address.

For this solicitation, your main point of contact for all locations is:

Randy Finley
Senior Director, Public Sector Business Development
39 Pelham Ridge Dr.
Greenville, SC 29615
510-402-7058
randy.finley@tdsynnex.com

Artifact 4 Payment

TAB 4
VENDOR PROFILE

• Define your standard terms of payment.

TD SYNNEX will provide a network of reseller partners who will interface with the NCPA customers, providing onsite assessments/consultation, product information, technical support, customer service support and post-sales support as authorized Order Fulfillers under the TD SYNNEX NCPA contract. These resellers will be required to maintain the appropriate vendor authorizations and sign agreements with TD SYNNEX agreeing to follow the terms and conditions of our NCPA contract. Resellers will be reviewed on a regular basis to ensure we have the appropriate resources to support this contract.

These resellers will be our “feet on the street” and act as our local presence with the NCPA customer. TD SYNNEX will also recruit resellers who hold small business and socioeconomic diversity status to ensure small business participation in this contract. TD SYNNEX Public Sector Program Team will work closely with the participating resellers to ensure they have the tools they will need to develop and close opportunities with NCPA customers.

TD SYNNEX does offer our resellers access to TD SYNNEX Capital in addition to standard Net Terms, Escrow, Flooring Accounts, Wire Transfer, and Credit Card payment terms. State, local and education (SLED) financing requirements are more diverse and complex than those of commercial clients due to the unpredictability of future budgets, non-appropriation risk and uncertainty around the lifespan of the investment. TD SYNNEX Capital has extensive regulatory knowledge to assist these SLED agencies in acquiring the equipment they need at a lower cost:

- Align payments to budget availability
- Benefit from multi-year discounts
- Free up capital for other projects
- No large, upfront cash expenditures
- Only current year payments are included in operating budget
- Put all products and services on a single agreement

TD SYNNEX CAPITAL MAKES IT EASY

- Competitive pricing, including municipal rates
- Easy credit application
- Fast funding

Streamlined documentation that includes non-appropriations protections

Artifact 5 Annual Sales

TAB 4
VENDOR PROFILE

- **Provide Annual Sales for last 3 years broken out into the following categories:**
  - **Cities / Counties**
  - **K-12**
  - **Higher Education**
  - **Other government agencies or nonprofit organizations**

TD SYNNEX tracks sales in the traditional public sector verticals of Education, State/Local government, and Federal. Education sales include all K-12, higher education (colleges and university), and community, and/or vocational & technical college revenue. State/Local government sales include all state and local government, but also includes any city, local, township, municipal, borough, county, parish, and/or commonwealth, revenue. Federal sales include all civilian, defense, and/or administrative revenue, so also include sales to prime contract holders and federal integrators.

TD SYNNEX Public Sector fiscal year 2020 public sector sales were in excess of $8.7 Billion:

- Education $3.5 Billion
- State/Local government $2.4 Billion
- Federal $2.7 Billion

TD SYNNEX Public Sector fiscal year 2021 public sector sales were in excess of $9.4 Billion:

- Education $4 Billion
- State/Local government $2.5 Billion
- Federal $2.9 Billion

TD SYNNEX Public Sector fiscal year 2022 public sector sales were in excess of $11.2 Billion:

- Education $4 Billion
- State/Local government $3.3 Billion
- Federal $3.9 Billion

TD SYNNEX fiscal year starts on December 1st of the current year and ends on November 30th of the following year.

FY 2020 $24,676,000,000.00 (Legacy SYNNEX Corporation only)
FY 2021 $31,614,000,000.00 (Legacy SYNNEX Corporation only)

On March 22, 2021, SYNNEX Corporation (NYSE: SNX) and Tech Data Corporation announced a definitive merger agreement under which SYNNEX and Tech Data will combine. The combined company, with a team of over 22,000 co-workers will provide customers and vendors with expansive reach across products, services, and geographies to accelerate technology adoption. Tech Data was wholly owned by funds managed by affiliates of Apollo Global Management, Inc. (NYSE: APO) (the "Apollo Funds") and their co-investors.

The merger with Tech Data was completed on September 1, 2021. The combined company was named TD SYNNEX Corporation.

FY 2022 $62,343,800,000.00

Artifact 6 Differentiators

TAB 4
VENDOR PROFILE

• What differentiates your company from competitors?

TD SYNNEX has significant experience owning/managing Public Sector contracts. These vehicles do not sell themselves and require a significant amount of investment in sales and demand generation to make them successful. Our plan will include several facets addressing both resellers and end-users. Although we don't sell direct to end-users, we do have a team that provides end-user demand generation through call out campaigns, print/mailers, e-mail, website contract landing page and an electronic storefront offering.

TD SYNNEX distributes technology products from more than 1,500 world-leading IT OEM suppliers to more than 25,000 resellers throughout the US, Canada, and Mexico. Our focused product categories include IT systems, rugged mobility, peripherals, system components, software, and networking.

TD SYNNEX Public Sector is a specialized, fully integrated business unit that focuses on bridging the gap between technology partners and U.S. public sector organizations so they can achieve their individual missions. This is accomplished through specialized and scalable aggregator solutions, including channel enablement, engineering services and support, industry-centric marketing, the Diversity Alliance Program, and our Cloud Navigator, Enterprise Agreement Platform, Confirmed Stateside Support and Secure Software Factory offerings.

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TD SYNNEX offers:

- Proven distribution, logistics and product management processes
- Excellent past performance in the Public Sector market
- A national presence and nationwide distribution network
- ISO 9001-certifed supply chain that increases efficiencies and reduces costs
- Supply Chain Risk Management (SCRM) Plan
- Customs-Trade Partnership Against Terrorism (C-TPAT) Certified
- Membership in Transported Asset Protection Association (TAPA)

- Experienced government contractor with both Federal and State contracts
- A nationwide network of value-added resellers and solution providers with one or more SBA certified small business socio-economic statuses.

Artifact 7 Marketing

TAB 4
VENDOR PROFILE

• Describe how your company will market this contract if awarded.

TD SYNNEX has significant experience owning/managing Public Sector contracts. These vehicles do not sell themselves and require a significant amount of investment in sales and demand generation to make them successful. Our plan will include several facets addressing both resellers and end-users. Although we don't sell direct to end-users, we do have a team that provides end-user demand generation through call out campaigns, print/mailers, e-mail, website contract landing page and an electronic storefront offering.

TD SYNNEX will provide a network of reseller partners who will interface with the NCPA customers, providing onsite assessments/consultation, product information, technical support, customer service support and post-sales support as authorized Order Fulfillers under the TD SYNNEX NCPA contract. These resellers will be required to maintain the appropriate vendor authorizations and sign agreements with TD SYNNEX agreeing to follow the terms and conditions of our NCPA contract. Resellers will be reviewed on a regular basis to ensure we have the appropriate resources to support this contract. These resellers will be our “feet on the street” and act as our local presence with the NCPA customer. TD SYNNEX Public Sector Program Team will work closely with the participating resellers to ensure they have the tools they will need to develop and close opportunities with NCPA customers.

For our resellers, we will pull our historical procurement data per awarded vendor line to identify the most responsive/responsible resellers selling into State and Local Government, K-12, higher education, and public hospitals nationwide. Likewise, we will do this globally and include higher education institutions and state/local government sales. In this way we can ensure we have the correct "feet on the street" in all areas covered by the NCPA.

Marketing activities include:

- Press releases
- Identifying resellers to authorize to promote & sell off of this contract
- Reseller recruitment and training
- Multiple training webinars for both internal and external sales teams
- Dedicated NCPA web page development
- Development of marketing materials
- Attending industry events and table top shows
- Ongoing reseller recruitment efforts and internal sales training

- End-user demand generation team to drive awareness with end-users on behalf of our resellers
- Webinars
- Customized events that help to create awareness for the contract
- Specific plan developed & collaborated with our partners
- Social Media collaboration

TD SYNNEX' presence and participation in social media/interactive technology is currently designed to:

- Educate, engage, notify and entertain interested audiences
- Deliver conversation not conversion, interaction not transaction
- Increase audience participation at events through custom mobile apps and social engagement
- Provide additional communication platform for resellers, vendors, media, and associates for conversations that are already happening
- Protect and elevate the TD SYNNEX corporate brand with associated vendor brands in the social environment
- Offer timely responses to questions, suggestions, and requests
- Maintain an overall positive social sentiment

Artifact 8 Introduction

TAB 4
VENDOR PROFILE

• Describe how you intend to introduce NCPA to your company.

TD SYNNEX has identified our training processes in the preceding sections for both inside/outside sales teams, our business development teams and authorized resellers/solution providers. Essentially, it will entail training, marketing collateral, PowerPoint presentations and onsite visits to conduct Q&A. Training is an ongoing process scheduled throughout the year via webinars, onsite training and industry events. Resellers will be given access to the TD SYNNEX contract website, marketing collateral, and instruction on the processes of obtaining quote/orders and contract pricing. All aspects of the contract, from end-user marketing to customer service to tech support, must be fully explained and expectations identified.

A bid-desk, dedicated to providing quote assistance to TD SYNNEX NCPA authorized resellers, will be employed to assist our partners to ensure that NCPA customers receive timely, accurate, and contract complaint quotes.

Contract Management Summary with Marketing and Sales Strategy Post-Award

- Create Terms and Conditions summary; develop pricing calculator
- Communicate contract requirements internally and with each manufacturer line
- Determine rules of engagement, assign responsibility roles

Recruitment

- Identify Resellers: Vendor lists, TD SYNNEX Point of Sale reports, Sales Managers and Outside Sales Reps
- Training: onsite, online, webinars
- Establish eligibility requirements
- Sign participation agreement ensuring contract compliance Contract Management
- Monthly contract review by TD SYNNEX contracts team - the good, the bad and the ugly
- Monthly status calls with each participating reseller
- Quarterly cadence calls with the contractor community
- Ongoing calls with participating manufacturers to update/revise strategy.

Initial Kick-Off Phase

- Upon award, communicate to vendor and internal Product Management/Business Development teams

- Develop contract terms and conditions statement, pricing calculator, and published contract price file.
- Review administrative requirements
- Set e-mail aliases (ncpa@tdsynnex.com)
- Develop NCPA-dedicated contract webpage with required contract details, pricing calculator, and additional relevant contract information for ease of navigation
- Determine manufacturer's strategy and reseller engagement
- Establish reseller qualifiers, sales minimums, agreement
- Review contract requirements with authorized resellers
- Review required business plan/marketing plan from authorized resellers
- Conduct training via webinars of resellers, sales reps, Business Development Reps, Product Managers and manufacturers
- Where applicable, conduct joint road shows to promote/train
- Publish TD SYNNEX Corporation press release
- Provide marketing collateral for resellers

Ongoing Management

- Training/webinars - initial and ongoing
- Product Refresh - marketing and communication
- Business Development - slip/gain report for both reseller and manufacturer
- Business Development - monthly sales report to Manufacturer with email updates
- Quarterly Business Review for reseller (or as needed)
- Quarterly Business Review for manufacturers (or as needed)
- Identification of potential seasonal pricing (hot list) for NCPA eligible agencies
- Quarterly Business Review webinar for reseller community
- Periodic events to include NCPA contract dedicated marketing and training sessions at our TD SYNNEX Public Sector SLED events (see https://www.synnexcorp.com/us/govsolv/events/ for examples of upcoming events)
- Maintenance of authorized reseller database with contact information
- Contract reporting and Administrative fee payment to the NCPA
- Pricing updates as well as new product identification and submission

• Describe your firm's capabilities and functionality of your on-line catalog / ordering website.

TD SYNNEX utilizes a proprietary enterprise resource planning (ERP) system called CIS. CIS has been built from the ground up to specifically support all aspects of distritrution business needs.

With CIS as the back bone of the TD SYNNEX system, TD SYNNEX is able to offer eBusiness solutions. We feature a complete suite of solutions that partners can pick from that best best-fits their business needs. Whether partners are new to eCommerce or already have extensive capabilities, we have options to help your business run leaner and faster.

TD SYNNEX offers the following:

TD SYNNEX *ECExpress*

TD SYNNEX' ECExpress is a real-time back-office management and e-commerce platform that streamlines orders, quotes, and invoices. While securely navigating across all TD SYNNEX sites and tools without logging in again, the ECExpress platform enables you to see product alerts and available inventory, save frequent product searches, and subscribe to reports that include:

- XpressTrak Alerts
- Price and Availability Download (Reseller partners only)
- Bid Portal (Reseller partners only)
- Reports
- Custom Product Search
- Recent Orders

TD SYNNEX' Footprint in Mobile Apps

TD SYNNEX B2B services offer reseller partners Application Development Services to help balance costs, boost service levels and improve productivity through vigorous management of flexible, high-performance, business-critical applications. Leveraging the best-of-technologies and practices, we ensure that your business applications are developed, maintained and managed within optimal costs and acceptable timeframes to provide you secure and undisruptive business environments. We approach Application Development in a mature and proactive way. We believe that Application outsourcing can reap benefits only if risks are minimized, while being balanced by off shoring incentives like reducing costs, unfailing performance ratios and consistent quality levels. Our development model is a recipe of conventional and current business practices. We complement conventional practices with agility to provide faster, more enhanced solutions to clients. We deliver applications within shorter timeframes and agreed-upon deadlines, all without cutting corners or compromising quality.

B2B & eCommerce

TD SYNNEX believes the sole purpose of Information Technology(IT) is to support our businesses. We understand that our customers have unique eCommerce capabilities, preferences, and "best technologies" available. Our eCommerce options allow customers to choose the most cost effective solution that fits their needs, from the simplest to the most advanced cutting-edge technologies. TD SYNNEX supports both EDI ANSI x12 File Document Specifications and Flat File Document Specifications.

Web Services & XML

TD SYNNEX Web Services are available to reseller partners. The following Web Servics are available:

- Customer Purchase Order
- Price and Availbility

- Expense Estimate
- Product Feed Service
- Customer PO Status

TD SYNNEX also offers real-time XML services. Real-time available services include:

- EDI
- PO Submit
- PO Status
- Freight Quote
- Price and Availablity
- RMA Create
- RMA Status
- XML Invoice

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eStorefronts is an online ordering system based on ECExpress, built and hosted by TD SYNNEX. eStorefronts allow resellers to create their own end-customer catalog, or offer all TD SYNNEX Skus to their end-customers, while controlling pricing at a customer or product level. eStorefronts include built-in order management controls, real-time pricing and availability, personalized branding, order notifications and more, all for one inclusive monthly fee.

Punch-out Catalogs

Migrate away from Excel and PDF contract pricing lists by implementing a PunchOut with your customer. Leverage TD SYNNEX' experience and create a branded product catalog accessible from reseller end-user customers' ordering system. Resellers can include a shopping cart with products, quantities and pricing, directly linked to your customers' procurement system.

Features

- Brand the catalog as your own - TD SYNNEX becomes your silent partner.
- Keyword search, product specifications, real-time availability.
- Supports Configure-To-Order(CTO) and non TD SYNNEX sku sales.

Benefits

- Our connections use cXML/XML, SOAP/Web Service, HTTP Post and REST/JSON.
- Our most popular enterprise systems to date include SAP/Ariba, Oracle, Perfect Commerce and service now.
- Our programmers can seamlessly connect to your customer's procurement system using the highest security standards, such as PCI, Trustwave and HTTPS(TLS) 1.1

• Describe your company's Customer Service Department (hours of operation, number of service centers, etc.)

TD SYNNEX' Customer Care after-sale support team recognizes the importance of providing timely, responsive services to Return Merchandise Authorizations (RMAs) and RMA discrepancies, order inquiries, including outbound shipments, and claim processing. We continuously strive to provide world-class customer support, and address all of our customer requests as opportunities to improve and raise the quality of our services because repeat business depends on your satisfaction.

Customer Service is available Monday through Friday (8:00 AM to 6:00 PM Eastern Time).

Customer Service Contact Information:

Phone: (800) 756-1888

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With 15 distribution and 5 office facilities nationwide, TD SYNNEX gets the right products to market, right-on-time. In addition to reducing shipping times, our regional warehouse placement slashes freight costs to customers, helping them win deals and boosting their margins.

Our model streamlines business processes to lower costs and create greater efficiencies. We combine our core strength in distribution with our service model to provide our customers greater efficiencies in time to market, cost minimization, real time linkages in the supply chain and aftermarket product support. TD SYNNEX operates distribution facilities in the United States, Japan, England, Canada and Mexico. Our distribution processes are highly automated to reduce errors, ensure timely order fulfillment, and enhance the efficiency of our warehouse operations and back office administration. Distribution facilities are geographically located near reseller customers and their end-users. This decentralized, regional strategy enables us to benefit from lower shipping costs and shorter delivery lead times to our customers. Furthermore, we track several performance measurements to continuously improve the efficiency and accuracy of our distribution operations. Our regional locations also enable us to make local deliveries and provide will-call fulfillment to more customers than if our distribution operations were more centralized, resulting in better service to our customers.

TD SYNNEX' global presence includes:

- Sales offices and warehouses in 11 states
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- Reseller Partners with local offices to allow for full statewide coverage

TD SYNNEX Distribution Centers:

- Chino, Califorina
- Fontana, Califorina
- Tracy, California
- Miami, Florida
- Suwanee, Georgia
- Romeoville, Illinois
- South Bend, Indiana
- Southaven, Mississippi
- South Brunswick, New Jersey
- Swedesbouro, New Jersey
- Columbus, Ohio
- Groveport, Ohio
- Fort Worth, Texas
- Garland, Texas
- Chantilly, Virginia

TD SYNNEX Office Facilities:

- Fremont, CA
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- Tempe, AZ

• Green Initiatives (if applicable)

○ As our business grows, we want to make sure we minimize our impact on the Earth's climate. We are taking every step we can to implement innovative and responsible environmental practices throughout NCPA to reduce our carbon footprint, reduce waste, energy conservation, ensure efficient computing and much more. To that effort we ask respondents to provide their companies environmental policy and/or green initiative.

See PDF file "TD SYNNEX Response Exhibit x td-synnex-2022-corporate-citizenship-report"

• Anti-Discrimination Policy (if applicable)

o Describe your organizations' anti-discrimination policy.

See PDF file "TD SYNNEX Response TD SYNNEX Global Human Rights Policy (3-23)"

• Vendor Certifications (if applicable)

o Provide a copy of all current licenses, registrations and certifications issued by federal, state and local agencies, and any other licenses, registrations or certifications from any other governmental entity with jurisdiction, allowing

respondent to perform the covered services including, but not limited to, licenses, registrations, or certifications. Certifications can include M/WBE, HUB, and manufacturer certifications for sales and service.

See PDF file “TD SYNNEX Response Exhibit x TD SYNNEX product_linecard” Other certifications, registrations, and/or licenses can be provided upon request.

- **Additional Agreements (if applicable)**
  - **Provide a copy of additional agreements**

Can be provided upon request.

Artifact 9 Online Capabilities

TAB 4
VENDOR PROFILE

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Artifact 10 Customer Service

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TD SYNNEX

The Power of Our Purpose

FY2022 Corporate Citizenship Report

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A Message from Our CEO

At TD SYNNEX, Our Purpose Is Powerful

The day we announced the merger that created TD SYNNEX, I stood before a screen displaying our co-workers from around the globe. I invited them to fulfill a mission and purpose that was greater than the sum of our individual parts. After all, that's what the merger of our legacy companies was all about.

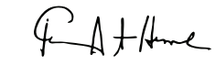
By bringing together the insights and impact of two strong companies, we are unlocking new possibilities for what we can achieve. Most importantly, we are maximizing the value we deliver for our customers, vendors and communities. ***This is how we will fulfill our purpose: Empowering our global partners to achieve great outcomes with technology.*** All of this is possible because of our dedicated co-workers — they embody the best of who we've been and who we are today. Without them, what we stand for is simply words on paper. However, these words become powerful as people embrace them and bring them to life. Everything TD SYNNEX is and will be is ultimately up to us. Together, we can connect the global IT ecosystem and unlock its potential for all.

Since the merger, we have embraced an approach that puts our people and purpose first. In this inaugural corporate citizenship report, we outline the strategic environmental, social and governance (ESG) framework that is shaping our work around the world. It includes ambitious goals and implementation plans to ensure our continued progress. As we nurture a new culture, we are leveraging our unified spirit to ensure that we create a better, more inclusive world for all.

Our deep commitment to innovation, people and the planet is essential to our success. As we continue to align our investments and expand the way we serve our customers, vendors and communities, we are grounded in the principles that have propelled our legacy companies to this unified point.

One of the ways we celebrated the formation of one TD SYNNEX was by partnering with Treedom, providing our co-workers with the opportunity to have trees planted in East Africa. When I think about the positive impact of the 30,256 trees that now make up the TD SYNNEX forest, I remember that the whole is more than the sum of its parts. When we commit to growing together to fulfill a common purpose, there is no limit to what we can do.

Thank you for being with us as we embark on this journey together.



Rich Hume, Chief Executive Officer, TD SYNNEX

"As we continue to align our investments and expand the way we serve our customers, co-workers and communities, we are grounded in the principles that have propelled our legacy companies to this unified point."

We're TD SYNNEX

A Company that Cares

We're a leading distributor and solutions aggregator for the IT ecosystem. The driving force behind our work is approximately 23,500 full-time co-workers of the IT industry's best and brightest, who share an unwavering passion for bringing compelling technology products, services and solutions to the world. We're an innovative partner that helps our customers maximize the value of IT investments, demonstrate business outcomes and unlock growth opportunities. At our core, we're a company that cares. We care about our partners, our co-workers, our investors and the world around us. And we're committed to being a diverse, inclusive employer of choice and a good corporate citizen.

Who We Are

TD SYNNEX[1] brings together approximately 23,500 full-time co-workers of the IT industry's best and brightest. Together, we serve 100+ countries and support 150,000+ technology partners.

We simplify the complex to achieve maximum value, faster. Our vision is to connect the global IT ecosystem and unlock its potential for all.

We deliver solutions for every type of ecosystem partner through global technology distribution and solution aggregation capabilities.

How We're Making an Impact

Our global reach enables big solutions. We benefit from leadership across our operations who test solutions and programs that make a difference.

We move at the speed of technology. We partner with the entire technology ecosystem to manage relentless transformation, execute confidently and evolve to capture opportunities as they emerge.

We care about people and the planet. As we work to be good corporate citizens and a diverse, inclusive employer, our values of inclusion, collaboration, integrity and excellence guide our success.

Where We're Going

Amplifying our impact by focusing on our purpose. We will continue to empower our co-workers and partners to meet the needs of the moment and the future.

Adapting quickly and developing innovative solutions to connect our vendors and customers with what they need, when they need it.

Setting — then achieving — bold goals. Through our new Corporate Citizenship program, we are focused on setting our strategic approach and operationalizing our efforts to achieve progress.

[1]TD SYNNEX is branded and trades as Tech Data and Tec D in the Asia Pacific Japan region. Both Tech Data and Tec D are TD SYNNEX companies.

Awards and Recognitions

Great Place To Work. Certificada DIC 2021 - DIC 2022 México

Great Place To Work. Certified MAI 2021 - MAI 2022 PORTUGAL

BEST PLACES TO WORK 2022 for LGBTQ+ Equality 100% CORPORATE EQUALITY INDEX

BRONZE 2022 ecovadis Sustainability Rating

CRN CHANNEL AWARDS 2022

top EMPLOYER BELGIË BELGIQUE BELGIUM 2022 CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

top EMPLOYER NEDERLAND THE NETHERLANDS 2022 CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

Our Corporate Citizenship Strategy

It's good business to do good business. With that in mind, we launched our first Corporate Citizenship program within the first six months as a combined company. Our strategy for the program includes a global environmental, social and governance (ESG) framework that will help deliver long-term value for our business, co-workers, investors, vendors, customers and communities.

We informed our ESG framework by engaging key stakeholders through an in-depth materiality assessment. Based on insights from the process, we identified priority ESG areas that are most important to our stakeholders and business.

As a large IT distributor situated in the middle of the supply chain, our company is uniquely positioned to drive meaningful environmental and social change. By sharing our ESG commitments and disclosing our progress, we hope to inspire similar action and progress by our suppliers, vendors and customers.

We are actively working to operationalize our strategy across our global organization. To oversee our strategy, we have created a Global Responsibility steering committee comprised of a cross-regional and cross-functional group of senior leaders. They are supported through our strong partnership with Business for Social Responsibility (BSR), a sustainable business network and consultancy that helped us complete our materiality assessment.

Addressing the UN SDGs

Through our corporate citizenship efforts, we are addressing the following United Nations Sustainable Development Goals (UN SDGs):

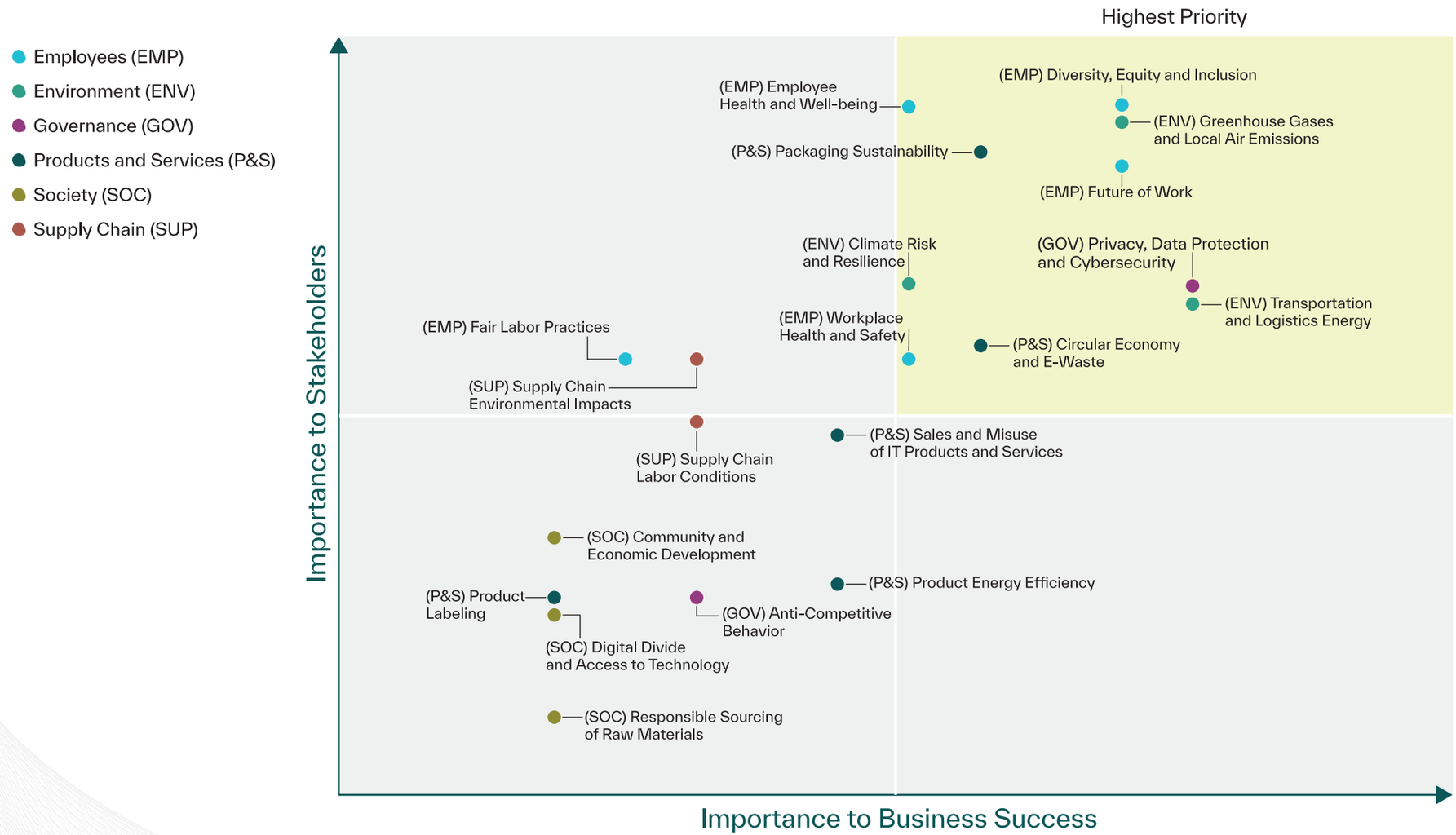
Plotting Our Path Forward: Inside Our First Materiality Assessment

There are many issues that companies can consider when establishing the most sustainable path forward. To make meaningful progress, it's essential to prioritize these issues and take a focused, customized approach. Understanding this, in 2022, we partnered with BSR to conduct an in-depth ESG materiality assessment.

The first step in the process was to create a list of material issues, based on industry standards and relevant reporting frameworks. Next, interviews and surveys with internal and external stakeholders allowed us to rank and contextualize each issue. In the third step, each issue was assigned a score based on various business and stakeholder criteria. Using these scores, the team generated a materiality matrix weighing the importance of the company's top ESG opportunities. The assessment delivered critical insights on a range of sustainability topics. For example, we gained a deeper understanding of our stakeholders' alignment on our environmental goals and our opportunities to lead the technology industry forward. Our stakeholders also affirmed Diversity, Equity and Inclusion (DEI) as an essential element for business success, as well as programs to ensure our co-workers' health, safety and well-being.

Based on these insights, we developed our ESG Framework and corporate citizenship commitments. Together, these provide a roadmap that will unify our organization in driving progress and creating a more resilient future.

TD SYNNEX Materiality Matrix



Within our environmental and social pillars, we have established several bold corporate citizenship commitments. Over the next several years, they will drive us to help contribute to a healthier planet, increase diverse representation in our workforce and provide access to technology for those in need.

Our Corporate Citizenship Commitments

Environmental Commitments

As we work to contribute to a healthier planet where our business and communities can thrive, we are committed to lowering our global carbon footprint. To support this work, we are committed to setting emissions-reduction targets, increasing our sustainability initiatives and supporting our customers and vendors. Our goals include:

By 2045:

- In line with our commitment to the Science Based Targets Initiative (SBTi), achieve net-zero greenhouse gas (GHG) emissions.

Additional goals:

- Embed circular economy principles into our product life-cycle management strategy and partner with stakeholders to minimize waste through repairs, refurbishment and recycling.
- Deploy Environmental Management Systems such as the International Organization for Standardization ISO 14001.

Social Commitments

Our commitment to social responsibility starts by creating an inclusive and welcoming environment for our co-workers. To support that environment, we are committed to increasing diversity in our workforce and ensuring equitable programs and practices. We also aim to double co-worker participation in our seven business resource groups (BRGs), listed on page 22 in this report, to drive our social impact. As our business grows, we are committed to increasing diversity in our business partner ecosystem and working with partners to help bridge the digital divide. Our social goals include:

By 2025:

- Increase representation of underrepresented groups in our workforce.
- Double co-worker participation in our BRGs.

By 2030:

- Increase representation of those who identify as women to 50% of our workforce and 40% of our people leaders.

Additional goals:

- Increase the diversity of our partner ecosystem.
- Help bridge the digital divide by providing devices, digital skills training, internet connectivity and technical support to underserved communities and leverage partnerships with similarly focused nonprofits, such as Human I-T, to digitally equip approximately 20,000 households — touching the lives of 60,000 people.

Environmental Sustainability

At TD SYNNEX, we share a vision for a vibrant, interconnected world. Increasingly, however, the effects of climate change pose an immediate threat to this vision. As a result, one thing that's clear for those in the technology industry and beyond: The time for purposeful environmental action is now. Through our new Corporate Citizenship program, we are working to lower our global carbon footprint, expand the circular economy and deliver education and thought leadership by taking a coordinated, collaborative approach. We have committed to the Science Based Targets initiative (SBTi) Business Ambition Pledge and established a target to achieve net-zero GHG emissions in our global operations by 2045, with many of our locations aligning with even more aggressive timelines and locally appropriate guidelines.

Along the way, we plan to set targets for emissions reductions and increase our sustainability initiatives worldwide. We are committed to advancing the circular economy by partnering with our stakeholders to maximize the value of technology and minimize waste. To better understand our environmental impact and our opportunities to improve, we have conducted internal assessments and benchmarking. We are also deploying environmental management systems, aligning with international standards and reporting our performance through CDP. We recognize that sustainability is a journey and we are confident that we can drive meaningful change across our business and the IT ecosystem.

2022 Highlights

Pillar 1: Education and Thought Leadership

- Launched a module-based sustainability training program.
- Our first two courses "Sustainability Essentials" and "Circular Economy" were launched.

Pillar 2: Sustainability Metrics and Reporting

- Achieved a C score of Awareness on our first CDP assessment as TD SYNNEX.
- 12 sites are Energy Star, LEED or BREEAM certified offices.
- Implemented an ESG Accounting tool for data collection.

Pillar 3: Climate Mitigation and Greenhouse Gases

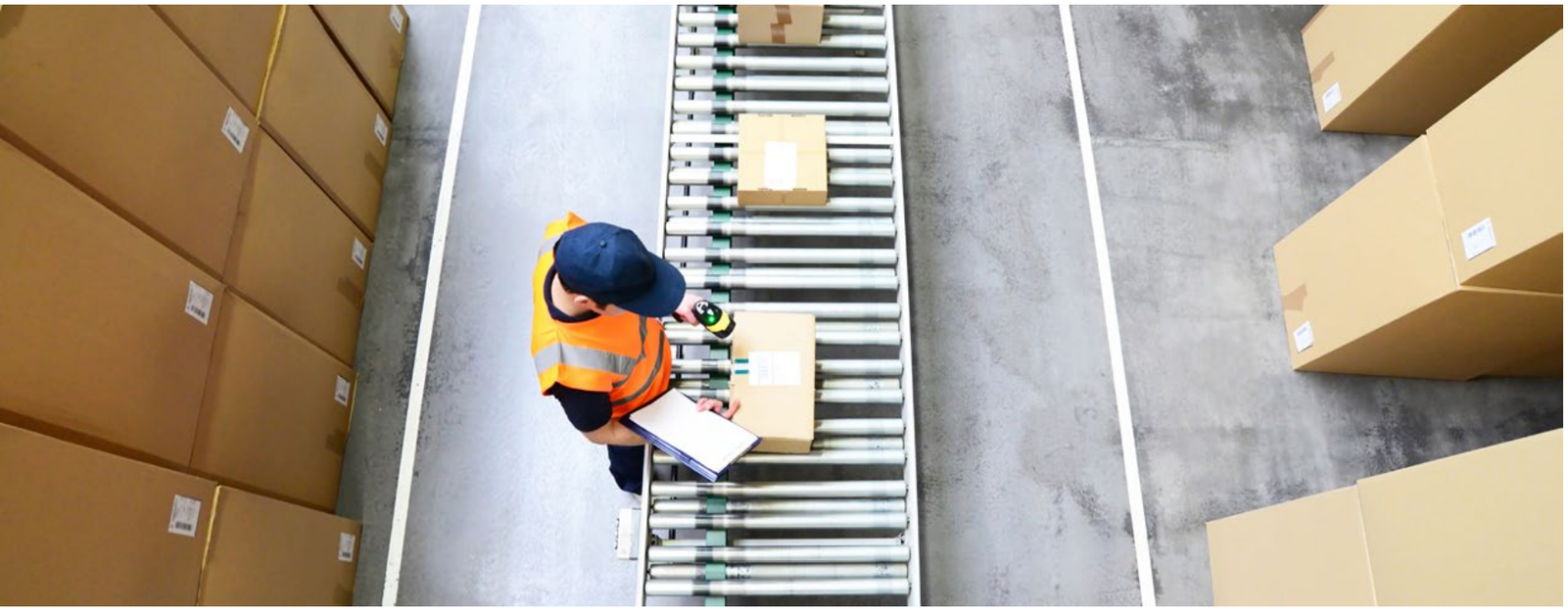
- Committed to achieving net-zero GHG emissions in our global operations by 2045.
- In 2023 we will submit our near-term emissions targets to SBTi for approval.
- Launched a partnership with the University of South Florida to help advance our net-zero carbon ambitions at our Clearwater, Florida, headquarters.
- Established a global, internal TD SYNNEX working group specializing in Sustainable Transportation and Logistics.

Pillar 4: Circular Economy

- In 2021 diverted 350,000 mobile handsets from landfills through TD SYNNEX Renew's mobile trade-in program.
- Established a global, internal TD SYNNEX working group specializing in Circular Economy.

Pillar 5: Culture

- Planted 30,256 trees in East Africa through our ongoing partnership with Treedom.



Reducing Our Carbon Footprint

Climate action can't wait, so we've made it our environmental priority. We began our carbon-reduction journey in September 2021, when we signed the SBTi's Business Ambition Pledge. In line with the Paris Agreement — which aims to limit global warming to pre-industrial levels[2] — we committed to achieving net-zero GHG emissions in our global operations by 2045. To get there, we're focused on minimizing the carbon footprint of our operations while working with partners to help decarbonize the IT ecosystem. We are also implementing data management systems to enhance our collection and disclosure of GHG emissions data. These efforts will help make up our carbon-reduction roadmap, which will outline our pathway forward.

[2]United Nations, "The Paris Agreement."

Promoting Grassroots Action

Sometimes the initiatives that push our company forward grow from the bottom up. That's been the case with Climate Parliament, a co-worker-led initiative to achieve climate neutrality in our Benelux region operations by 2030.

Climate Parliament began in early 2021 with a group of about 25 co-workers from Belgium and the Netherlands. Prompted by a call to action by leaders in our Benelux region, the group volunteered for a five-day training on design thinking. The training inspired them to launch four initiatives aimed at mitigating climate change through green mobility, green transportation, zero waste and energy-consumption awareness. The group also helped the region achieve ISO 14001 certification for improved environmental management practices.

In 2022, the group's participation nearly doubled, and added another initiative, the Green Certificate Program: working with customers to reduce their carbon emissions caused by transportation. When emissions have been reduced the customer receives a TD SYNNEX Green Certificate, which can be prolonged every quarter. We have similar "Green Teams" in Germany, Iberia, Italy and the Nordics region. In the Americas, we have teams in Greenville, South Carolina, and Costa Rica. We plan to expand these co-worker-led teams around the world. The goal is to empower co-workers to inspire their colleagues, customers and vendors in accompanying TD SYNNEX on its carbon-neutral journey. Additionally, TD SYNNEX's wholly owned subsidiary Hyve Solutions recently launched their "Hyve Environmental Initiative." This initiative has a similar goal of harnessing the interests and creativity of Hyve Solutions' global co-worker community to accelerate progress in Hyve's environmental sustainability performance.

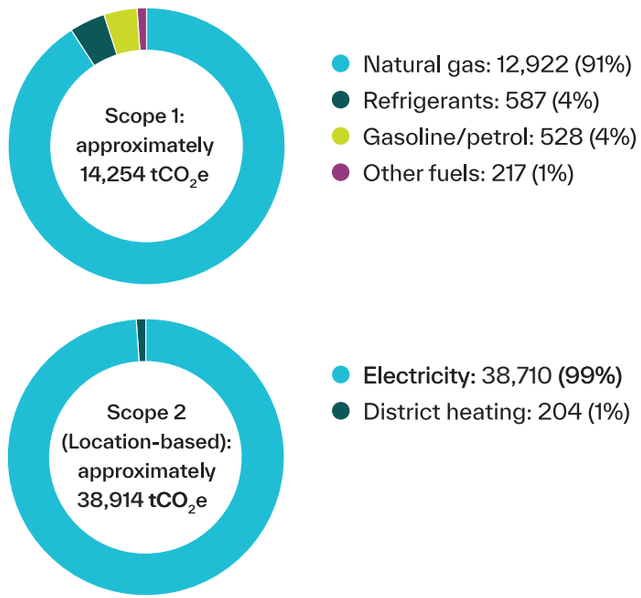
Measuring Our Emissions

Assessing our carbon footprint is the first step in effectively reducing it. With that in mind, we recently calculated our global carbon footprint for FY2022 for locations within our operation control. Our Scope 1 (direct) emissions primarily come from natural gas that we burn for heat, while our Scope 2 (indirect) emissions come from third parties that generate our electricity. To lower these categories, we are working to reduce our energy consumption and use of fossil fuels.

Our biggest challenge is calculating and lowering our Scope 3 (value chain) emissions, which account for most of our global carbon footprint. They are generated by our vendors as they produce the goods and services we distribute, as well as through the transportation and use of the products we bring to market. We are currently refining our data collection and calculation tools to better quantify these. The key to tackling this challenge is to promote circular economy principles and to shift to greener transportation and renewable fuels. One of the ways we are addressing our carbon impact is through our European Travel Policy, which encourages co-workers to be judicious about face-to-face meetings, make trips multi-purpose, and prioritize transportation with a lighter carbon footprint, like rail rather than air. For instances when in-person meetings are necessary, we have partnered with Climate Partner, which specializes in helping companies offset CO_2 emissions, to fund certified projects that have a positive and direct impact on communities. In 2022, our partnership resulted in the offset of 1,991 tCO_2e, which was certified to us by Climate Partner, investing in two high-quality, verified projects: the construction and operation of Mauritius' first large-scale solar plant (Verified Carbon Standard, VCS), and various photovoltaic plants in five different states of India (Gold Standard, GS VER).

When certifying according to ISO 14001, our sites in Europe assume an 80% renewable energy procurement target in the following year, as long as renewable electricity is available in the specific country and leasing contracts allow for this possibility. Additionally, air travel booked through our booking agency automatically calculates and adds a carbon offset fee, which is covered by the company.

FY2022 Scope 1 and 2 Emissions (metric tons)[3]



[3]Please refer to pg. 32.

Creating a TD SYNNEX Forest with Treedom

Without our dedicated co-workers, progress toward our climate commitments wouldn't be possible. So, for TD SYNNEX's one-year anniversary, we wanted to find a creative and climate-friendly way to honor them and continue to embed a culture of impact across the organization. The result was our partnership with Treedom, which planted a tree for each of our approximately 23,500 full-time co-workers around the world, with additional trees planted for each co-worker who joined TD SYNNEX throughout the year. This year, TD SYNNEX was honored to receive Treedom's "Bold and Brave Award" in recognition of the company's efforts to push forward boldly and go above and beyond in pursuit of the mission to Green the Planet.

Through this partnership, Treedom has so far planted 30,256 trees in East Africa. Together, these trees make up the "TD SYNNEX forest," which supports the environment by helping to protect biodiversity, mitigate soil erosion and desertification and sequester carbon. The trees also bear fruit that local farmers can harvest, which helps to bolster the local economies where the trees are planted. The project adds to the work of TD SYNNEX co-workers in Europe, who, in 2021, were gifted trees to redeem through Treedom for a "future dream forest." TD SYNNEX has committed to planting a tree for each new TD SYNNEX employee, to continue the tradition and increase our impact.

By the Numbers: Measuring the Impact of the TD SYNNEX Forest

7,950,750kg

The TD SYNNEX Forest is responsible for absorbing 7,950,750kg of CO_2.

30,256

We've planted 30,256 trees worldwide to date.

1,780

Over 1,780 native farmers were involved in planting the forest.

Optimizing Our Operations

To reduce our carbon footprint, we are focused on enhancing environmental sustainability across our global organization. Our approach is to invest in sustainable infrastructure while bolstering our sites' grassroots projects. For example, co-workers in our Climate Parliament introduced an initiative for greener commuting that began in Europe and has gained interest at our Clearwater, Florida, headquarters. In the United Kingdom, co-workers created in-person event guidelines to proactively work toward delivering a fully environmentally friendly experience. By providing user-friendly checklists for all elements of an event — including catering, accommodation, travel, venue, collateral and merchandising — we aim to reduce the amount of energy, waste and carbon emissions from each event.

To reduce our energy impact, we have invested in five transformative solar projects in Aalst, Belgium; Maplewood, U.K.; Swedesboro, New Jersey; Tempe, Arizona; and in one of our co-headquarters locations of Fremont, California, which has generated more than 9,800 MWh of electricity since the system began operations in 2013. The most recent project installed over 500 panels on the roof of our Maplewood, U.K., location, enabling approximately 185.06 MWh of electricity generated for on-site use.

In 2022, we launched a partnership with the University of South Florida (USF) that brought students together to engage in exercises based on our company's sustainability data, with a focus on improving our key performance indicator (KPI) processes. They have conducted on-site assessments at our headquarters in Clearwater, Florida, and identified solar generation and workplace environment possibilities to decarbonize our operations and advance our net-zero commitment.

As we increase our sustainability initiatives, we're proud of the recognition our teams have received. In China, we recently earned an excellence-level Wastewi$e Certificate via Hong Kong Green Organization Certification (HKGOC). The certificate is HKGOC's top award for waste reduction and recycling. Meanwhile, in France, we have achieved ISO 9001 and 14001 certifications and earned EcoVadis' Platinum Medal for our sustainable management system, meaning that we scored in the top 1%. In all, over 50 TD SYNNEX locations are certified through ISO 9001, ISO 14001, or both. Additionally, we achieved EcoVadis' Bronze Medal for our operations as TD SYNNEX, as well as LEED, BREEAM, or Energy Star certification for our sites in the following locations:

- Alcobendas, Madrid, Spain
- Maplewood, United Kingdom
- Stockholm, Sweden
- San Antonio, Texas, United States
- Chino, California, United States
- Rialto, California, United States
- Herndon, Virginia, United States
- Espoo, Finland
- Warsaw, Poland
- Bor, Czech Republic
- Bangkok, Thailand
- Sydney, Australia

By the Numbers: A Smaller Carbon Footprint in Clearwater, Florida

4,000

Completed LED lighting on approximately 4,000 lights and added multizone HVAC occupancy sensing at our Clearwater HQ.

550

Achieved an estimated annual GHG reduction of more than 550 metric tons of CO_2e.

When we refurbished our Bracknell, U.K., offices, we wanted to minimize waste. By partnering with the charity Waste to Wonder, we donated office furniture to the Not Alone Foundation Trust, which serves underprivileged children in Ghana, West Africa. We plan to adopt the same process as we move and refurbish other U.K. sites.

10 Ways We're Reducing Our Carbon Footprint Around the World

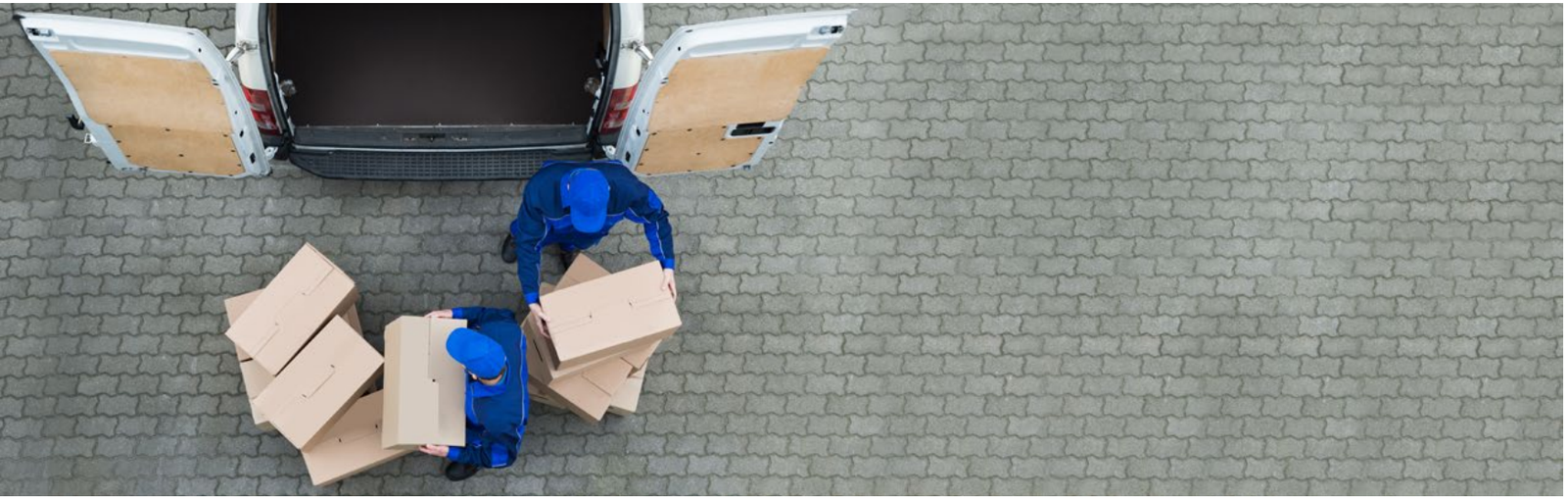
1. **Shifting to energy-efficient lighting,** such as zone lighting and LEDs
2. **Implementing temperature regulation** at our data centers and facilities
3. **Adopting energy-efficient servers** such as those used in Singapore
4. **Investing in energy-efficient conveyor systems** at our North American logistics centers
5. **Introducing green transportation,** through practices like load optimization and by investing in electric vehicles and charging stations
6. **Installing solar panels** including several large-scale projects in the U.S.
7. **E-waste and recycling programs** at facilities throughout the U.S. and Europe
8. **Minimizing waste-to-landfill** by reusing and optimizing packaging, donating office furniture and avoiding single-use office products
9. **Leveraging partnerships,** including with the University of South Florida to optimize our Clearwater headquarters
10. **Environmental progress,** including an EcoVadis assessment, ISO 14001 certification and Hong Kong Green Organization certification

Accelerating Sustainable Transportation and Logistics

As a company in the middle of the technology value chain, transportation and logistics are critical to our operations. However, these areas are also large contributors to our carbon footprint. This isn't unique to TD SYNNEX — according to the Environmental Protection Agency, transportation is the largest contributor of U.S. GHG emissions.[4] The way we see it, our company has a big opportunity to reduce our GHG emissions by finding more sustainable transportation and logistics solutions.

To address these issues, we recently launched an area of focus on sustainable transportation and logistics. This group will help outline goals, develop KPIs and identify specific initiatives that will allow us to accelerate sustainable transportation and logistics. This enables us to prioritize our efforts related to working with logistics partners, optimizing loads and investigating sustainable fuels, and working with suppliers to reduce packaging weight, which saves fuel and the associated emissions.

In our Benelux region, we talk to our carriers to make the "last mile" green in all major cities. Our goal is to work toward electric transportation alternatives within the major cities where we deliver to our end customers. In addition, the group started a Green Certificate Program, working with customers to reduce their carbon emissions caused by transportation. When emissions have been reduced, the customer receives a TD SYNNEX Green Certificate, which can be renewed every quarter.



[4]United States Environmental Protection Agency, "Carbon Pollution from Transportation."

Working Toward Energy Sobriety in France

In terms of our company's environmental impact, energy consumption plays a major role. That was one of our French team's key insights as they deployed the ISO 14001 standard in 2019. As a result, they are focused on achieving energy sobriety by reducing the frequency and intensity of the region's overall energy use. The team's first step was to create an action plan with ambitious water, gas and electricity reduction targets set for 2024, 2030, 2040 and 2050. To achieve these targets, they have developed an energy sobriety plan focused on three areas:

- **Reducing** energy consumption (in terms of water, electricity and gas).
- **Optimizing** their operations to support cleaner consumption patterns and increase the use of renewable energy.
- **Anticipating** potential shortages or challenges related to the carbon impacts of current consumption patterns.

So far, the plan has prompted a variety of actions that have led to promising results. For example, in 2021, the team achieved a 20.6% reduction in its electricity consumption compared to 2019. Building on this success, they intensified their efforts in 2022. Plans are underway to deploy the ISO 50001 standard for energy management and begin regular internal and external energy audits. The region is also training its co-workers to become "eco-responsible workers" — including fighting against at-home and on-the-job energy waste.

Promoting the Circular Economy

Usually, circular products are associated with applying circular economy principles to the design phase of products, such as design for durability or using secondary materials instead of virgin. However, design alone does not guarantee that products will be collected and cycled back at the end of their use. Thus, a circular economy for IT requires not only circular products, but a holistic circular system of products, services, networks of actors and supporting infrastructure. Companies that want to offer circular products to their customers will have to actively establish such a system collaborating with value chain partners to manage the different dependencies and monitor the system's effectiveness.

One way technology companies can boost environmental progress is by combatting e-waste — or waste from electrical and electronic equipment. According to the United Nations, e-waste is one of the fastest-growing waste streams, with humans producing an estimated 53.6 megatons (Mt) of e-waste in 2019 alone.[5] Beyond crowding landfills, many types of e-waste, such as batteries, contain heavy metals, so improper disposal can contaminate soil and waterways and be harmful to people's health. This is a pressing challenge — and an important opportunity for our industry to accelerate positive change.

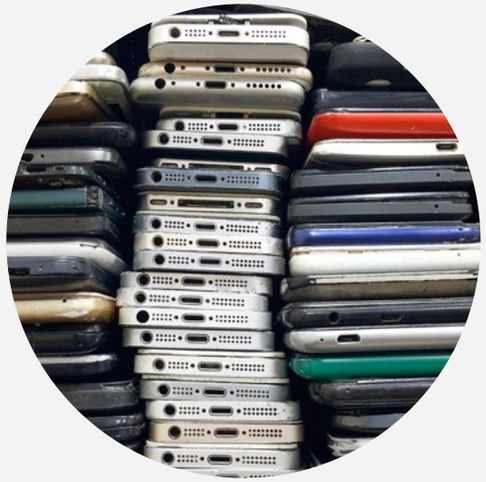
Accordingly, TD SYNNEX is working toward incorporating circular economy principles into our product life-cycle management strategy. We also provide tools, services and other resources that support and encourage our partners to do the same. In 2021, we established areas of specialization within the company to address and manage issues related to the circular economy. By embracing the four R's — reduce, reuse, repair and recycle — this team is leading our effort to collectively minimize waste by maximizing the long-term value of our products.

Shyft Global Services, a subsidiary of TD SYNNEX, delivers end-to-end product and customer life cycle management services for original equipment manufacturers and other technology innovators. Outsourcing downstream logistics and related services to a global partner like Shyft helps technology companies adopt a circular economy philosophy, which is important in reducing the impact of their IT infrastructure, extending the product life cycle and minimizing e-waste. Building upon our former Global Lifecycle Management organization and other global services teams, Shyft brings together world-class facilities, a robust infrastructure and more than 1,500 service professionals and IT experts from around the globe. The result of these efforts is that approximately 550 tonnes of repaired computer, storage, network, broadband and retail products were returned to service.

Similarly, in 2022, we expanded services in TD SYNNEX Renew's device trade-in program. Renew includes an online portal that resellers, retailers and dealers can use to provide a customer-friendly device trade-in process. In fact, during the year, our mobile device trade-in program saw 30% growth and in 2021 we diverted approximately 350,000 mobile handsets from landfills by either reusing or recycling them from our reseller's customers.

[5]United Nations Institute for Training and Research, "Global Transboundary E-waste Flows Monitor 2022."

By the Numbers: Reducing Impact Through Reuse



By giving a second life to devices, TD SYNNEX Renew has provided the following environmental benefits:

128
We saved the water of approximately 128 Olympic swimming pools.

0.20
We reused approximately 0.20 tonnes of precious material.

+33
We preserved over 33 tonnes of ferrous materials.

+42
We diverted over 42kg of rare material from e-waste disposal.

This avoided an estimated 38,000 tonnes of CO_2 and saved enough metals to produce the equivalent of 12 mid-sized cars. We also improved the functionality of our InTouch e-commerce platform, currently in use in France with plans to expand globally, to guide customers toward products that are developed with sustainability in mind. It's important to note that various regions have unique regulations surrounding the production and disposal of technology products, so our teams work hard to ensure compliance to do what's required to protect our communities and environment.

Another TD SYNNEX program that contributes to the circular economy is our sustainable subscription solution for both B2B and B2C resellers known as Tech-as-a-Service (TaaS). The TaaS program enables resellers to offer flexible finance plans, including leases to their small and medium sized business customers whereby hardware, software and services can be bundled into single recurrent payments. The hardware is returned at the end of the program, where it is given a second life. This prevents the unnecessary storage of depreciating assets for long periods of time, as well as avoiding any improper disposal.

Moving Waste to Wonder in Our Facilities

As part of our commitment to reduce our overall carbon impact and move toward net-zero carbon, TD SYNNEX was excited to work with partner organization the Waste to Wonder Trust to repurpose furniture following our Bracknell office refurbishment. The donated chairs, desks and other items prevented approximately 10,000 kilograms of material from going to landfill and avoided the emission of approximately 18,000 kilograms of carbon in virgin materials, harvesting and manufacturing. The Waste to Wonder Trust seeks out and refurbishes IT and other good quality office equipment and works with other charities to support children in the U.K. and 19 other countries. The items donated by TD SYNNEX were passed from the Waste to Wonder Trust to the Not Alone Foundation Trust Ghana, where we are certain they will be put to good and productive use. The items diverted from landfill as a result of this partnership include 200 wooden desks, 200 fabric desk screens, 60 wooden storage units, 40 chairs, four tables and two small settees.

We plan to repeat this process when TD SYNNEX relocates its Basingstoke offices to an adjacent building that is more energy efficient early in 2023.

Sustainability Practices in Our New Stockholm Office

Our new office in Stockholm, Sweden, was designed and built with environmental, social and economic sustainability in mind. The new office boasts state-of-the-art finishings and technology, as well as mindful use of used equipment and furniture. The office is optimally located to allow for commuting by public transport, and is built to support a hybrid workforce, enabling a much lower commuting footprint. By designing the space well, we are able to occupy fewer square meters, thus saving electricity and water use. All of these features enable us to cater to as many people as possible while utilizing the planet's resources with long-term sustainablity in mind.

Ensuring Responsible Packaging and Materials Use Throughout the Supply Chain

Yet another effort focuses on protecting users and the environment by ensuring that products we bring into the market are properly labeled and include necessary safety warnings and handling instructions.

TD SYNNEX further takes action to ensure that vendors are selling compliant products. This includes a mindful usage of raw materials and chemicals; and reducing hazardous substances in materials, products and packaging. Our goal is to have waste related to our vendor's products, batteries and packaging be collected, recycled and disposed of properly.

Education and Thought Leadership: Launching Our Badge Program

Knowledge sharing is one of the most powerful tools we can use to create a more sustainable future. We recently developed and are disseminating an industry-leading training program to provide our co-workers, vendors, customers, partners and other IT leaders with critical information about sustainable practices. Currently, the program includes two modules, with plans to expand into other ESG topic areas soon. The two existing modules are focused on sustainability essentials and the circular economy, and compile leading sustainability practices from vendors in addition to TD SYNNEX's own practices. They contain explanations, graphs and videos, with participants earning a badge upon the training's completion. We see it as a badge of honor for investing in new knowledge that can support our environment and communities.

Social Responsibility

TD SYNNEX is proud of its co-workers, who represent the best and brightest in the IT industry and work every day to rewrite the rules of what technology distribution can do. Our co-workers are strategic thinkers who are passionate about their work and want to make a positive impact on their communities and the world. Through a servant leadership approach, we empower them to innovate new approaches and lead local initiatives. As we learn from their efforts, we leverage our company's global footprint to help them expand their reach and success. Through our new social strategy, which is focused on our company, culture and people, we will further empower and inspire this powerful team.

2022 Highlights

- Achieved 27% female representation at the director and above level
- Awarded 7 college scholarships to co-workers and their families by expanding our annual Huang Leadership Development Scholarship
- Raised $17M to support TD SYNNEX Share the Magic program since its inception

Connecting Our Co-Workers Across the Globe

Our business is all about creating connections, so in the past year, we focused on the values that bring us together. We value inclusion and the unique backgrounds, perspectives and experiences that make each of us who we are. We value collaboration — both with our co-workers and our value chain partners. We value character, as true innovation requires accountability and trust. And we value excellence; when we deliver for our customers, partners and communities, we all win.

Our company's success stems from our ability to attract and develop co-workers who embody these values each day. We seek people with a can-do attitude who are eager to tackle new challenges in a workplace where they can thrive. As we expand our global workforce, we're committed to increasing diversity, including in leadership roles. We're also invested in ensuring ample opportunities for co-workers to connect, learn and lead. Crucially, we prioritize our co-workers' personal and family health and wellness. From the candidate phase all the way through succession planning, we want every co-worker to look back on a great experience.

Ensuring a Safe Workplace for All

We believe that safety is a shared responsibility, and that we can ensure future safety through a combination of strong work practices and the vigilance of every one of our co-workers. Our objective is to provide a safe workplace and environment for all co-workers and our goal is zero accidents and injuries. We work to achieve this by following the guidance of applicable Occupational Safety & Health Administration (OSHA) standards, continually reviewing work practices, and analyzing any incidents for ways to improve. We provide a wide variety of safety training courses — delivered when co-workers are hired, based on their job description, prior to use of certain equipment, or annually — as appropriate to the situation.

Reimagining Our Future Workplaces

There are so many ways that our work environments can shape our daily experience. At TD SYNNEX, we're taking this into account as we design and refabricate offices. For example, in some locations, we're planning to include wellness spaces for people to concentrate, take a break from their screens or unwind. In our larger locations, we are also creating mothers' rooms to support co-workers and their families, following the lead of our locations in Clearwater, Fremont and Greenville. Another new feature will be multi-faith areas, which will enhance our culture of inclusion. The idea is to increase flexibility and build new spaces where people feel comfortable and welcomed by design.

A Social Strategy that Puts People First

Company

We prioritize accountability and make sure that resources, processes and measurements are in place to support our commitments and ensure that every co-worker understands their role.

Culture

We know our differences make the difference. We value, respect and celebrate our diversity. Through our councils, BRGs and our co-workers, we create opportunities to educate, celebrate and recognize our diverse co-worker communities and our inclusive culture.

Community

We emphasize corporate citizenship to engage and uplift our local communities and we leverage our position to help build a diverse and robust IT ecosystem.

By the Numbers: Making TD SYNNEX a Great Place to Work

As we created TD SYNNEX, we had an important opportunity to bring forward the defining cultures of our legacy companies, SYNNEX and Tech Data. Following the merger, we put enormous energy into prioritizing and guiding our company's culture.

In 2022, we were proud to earn several awards that recognize our culture and caring environment, including Forbes' America's Best Employers For Diversity, FORTUNE World's Most Admired Companies, The Human Rights Campaign's Best Places to Work for LGBTQ+ Equality and Great Place to Work-Certified™ in the United States. Great Place to Work-Certified™ is a prestigious recognition based on what co-workers say about their experience working at our company. In fact, 74% of co-workers said TD SYNNEX is a great place to work — putting us 17 points higher than the average U.S. company. Here are some other insights co-workers have provided about working at TD SYNNEX:[6]

85%

85% of co-workers said they felt welcomed when they joined TD SYNNEX.

81%

81% of co-workers said our management trusts people to do a good job.

84%

84% of co-workers said people here are given a lot of responsibility.

[6]US-only figures.

Investing in The Power of Us

At TD SYNNEX, we talk a lot about The Power of Us, our employee value proposition, which teams of co-workers inspired and created early on in our evolution as a new company. Here's what we deliver to them as they help us deliver great results:

An environment rooted in the principles of DEI

It's not just about words on our website — it's about fair hiring and promotion practices and an environment that brings us together to celebrate the differences that make us who we are.

Environmental responsibility

Our co-workers know we're committed to climate action and environmental sustainability, and we empower them to help us make progress toward our goals each day.

Community engagement

We encourage our co-workers to become leaders in their local communities by joining us in volunteering our collective time and expertise to build resources that make life better for those in need.

Recognition and awards

Great work should be recognized! To fuel our co-workers' commitment to helping our company deliver great outcomes, we award and acknowledge their exceptional performance — in some cases on the spot.

Promoting growth

When it comes to realizing co-workers' career ambitions, joining us is just the start. We provide opportunities to learn and grow on the job and offer a range of resources for learning and development.

Supporting health and wellness

We provide comprehensive benefits, training and resources to help our co-workers and their families stay well — not only physically but emotionally and mentally, too.

Affirming that Our Differences Make the Difference

When people join our company, they do so for a multitude of reasons. However, one that we hear over and over is that our culture and co-workers give us an edge. People are eager for the chance to connect with a vibrant, diverse and globally recognized team. Here, the principles of DEI aren't stand-alone concepts — they are foundational to all we do.

Recently, we launched a DEI strategy to strengthen our pillars of company, culture and community. Our central DEI team oversees this strategy, with support from leaders and co-workers across our sites. Through our DEI roadmap, we are driven to foster a diverse workforce, an inclusive culture and programs and practices that are equitable for all. We are dedicated to providing opportunities for DEI-focused education, awareness and engagement. To help make this effort come to life, TD SYNNEX has committed to having a diverse Board, with members coming from a variety of industries and backgrounds. Currently, 55% of our Board identifies as female or a member of a minority group.

TD SYNNEX is also committed to the growth of our Supplier Diversity program, which aims to increase direct and indirect spending with diverse businesses, including minority, veteran, people with disabilities, LGBTQ+ and women-owned businesses. We have taken concrete steps in the first year as a combined company to create an ongoing diverse supplier spend database, to embed supplier diversity as part of ongoing sourcing practices, and to identify key areas of opportunity to grow spend with existing and new diverse suppliers. Additionally, we have asked several of our key supply partners to partner with us in measuring Tier 2 diverse spend associated with our purchases from them. As all these plans continue to solidify, we are looking to grow our diverse supply base by about 20% in the coming 12 to 18 months.

Advancing Our Social Commitments

Through our corporate responsibility commitments, we are building on our legacy companies' history as a leader in promoting and practicing the principles of DEI.

By 2025:

- We will increase representation of underrepresented groups
- We will double co-worker participation in our Business Resource Groups

By 2030:

- We will increase representation of people who identify as women to 50% of our workforce
- We will increase representation of people who identify as women to 40% of leadership roles

Bolstering Inclusion and Community through Business Resource Groups (BRGs)

An important component of our DEI strategy is to support and grow our seven BRGs. These inclusive, co-worker-led communities are centered around underrepresented affinities and identities. Through internal and external engagement opportunities, our BRGs provide opportunities for co-workers to have meaningful and inclusive conversations, celebrate cultural differences, give back to our surrounding communities and develop skills to achieve their personal and professional goals. They also serve as powerful advisory networks for leaders and decision makers at TD SYNNEX, amplifying their communities' needs in order to influence positive organizational change.

While many of our BRGs began in North America, we are excited to continue expanding them across the globe. For example, Elevate and Spectrum have expanded their reach with new chapters in many European countries over the last few years, and in 2022, one of our newest BRGs, Embrace, was established and launched in the United Kingdom and Ireland. Plans are underway to launch additional groups and double co-worker participation by 2025.

Our Business Resource Groups Include:

ELEVATE

Dedicated to attracting, retaining and advancing women, founded in 2012.

PATRIOTS

Dedicated to recruiting and supporting military veterans, active service personnel and military family members, founded in 2013.

SPECTRUM

Dedicated to recognizing, advancing and supporting LGBTQ+ co-workers, founded in 2016.

BEACON

Dedicated to recognizing, empowering and advancing Black co-workers, founded in 2017.

FUERZA

Dedicated to empowering, developing and celebrating Hispanic and Latinx co-workers, founded in 2019.

EMBRACE

Dedicated to celebrating cultural, ethnic and religious differences and fostering a welcoming and equitable workplace, founded in 2022.

RISE

Dedicated to celebrating, supporting and advancing Asian and Pacific Islander co-workers, founded in 2022.

By the Numbers: Partnership for Disability Inclusion

Since 2011, the Barcelona, Spain, office of TD SYNNEX has been collaborating with Randstad Foundation, the non-profit arm of HR services company Randstad established in 2004, to integrate people at risk of exclusion and with disabilities into the workforce and successful careers. Contributions to the Randstad Foundation assist in the development of actions to increase inclusion, raise awareness about disability and ensure the development of social impact strategies. Thanks in large part to our donations over the last 11 years, we have seen the following results:

300
Assisted and guided almost 300 people.

120
Integrated almost 120 people in ordinary companies.

170
Trained more than 170 people.

Local and Global Diversity, Equity and Inclusion (DEI) Milestones

Goal	Achieved
Increase representation of underrepresented groups by 2025	Launched our global DEI strategy. Established a DEI Executive Council chaired by our CEO and made up of our executive leadership team. Additionally, established four regional DEI Councils (APJ, Europe, Latin America and North America). Launched a recruitment directive to ensure equal representation when sourcing and interviewing for people leader roles. Advanced European DEI Council priorities to address the workforce gender imbalance, cultivate an inclusive culture and enhance the disability employment program.
Double co-worker participation in our Business Resource Groups (BRGs) by 2025	Increased co-worker participation through the creation of two new BRGs, Rise and Embrace.
We will increase representation of people who identify as women to 50% of our workforce by 2030	Established listening circles to provide women with a safe and confidential space to discuss workplace and personal challenges.
Increase representation of people who identify as women to 40% of leadership roles by 2030	Reached 27% female representation at the director and above level. Developed a Mentoring Program to support and guide women senior managers and directors and APJ.
Improve our pay equity position across the globe through our compensation and benefits programs	Moved to a single, harmonized job evaluation and grading structure across a significant portion of our global footprint, to enable fair and consistent compensation decision-making and protect against discrimination and inequity. Significant harmonization of benefits programs.
Evaluate promotion practices for fairness for all co-workers	Created a workstream to increase employment and development opportunities for people with disabilities.

Committing to Our Communities

When our people are working toward a greater purpose, they can do incredible things. Dating back to our legacy companies, we have always taken pride in making a difference for our local communities. Today, TD SYNNEX is building on this tradition with community commitments focused on three pillars: digital divide, children and wellness. Through our Community Relations program, we are working to align our efforts and maximize our co-worker and community impact. We know that when we put our hearts into our work, the benefits go both ways.

Expanding Our Community Relations Program

At TD SYNNEX, we are focused on aligning and expanding our collective efforts. Many of our enterprise-level initiatives are currently based within the U.S. As we build our Community Relations program, we plan to gradually expand them to include leaders and co-workers from sites across the world.

Encouraging Co-Worker Engagement

Not only is volunteering a great way of giving back, it's also a great way for co-workers to get to know one another outside of work. We are currently working to grow a robust Volunteer Ambassador Network, which brings co-workers together to organize volunteer events that support their local communities.

Recently, we established two companywide volunteerism programs — Volunteer Month and Next Meal Campaign. December represents our Volunteer Month and is the first month of our fiscal year, a wonderful time to share TD SYNNEX's commitment to communities where we have a presence. Co-workers are encouraged to give the gift of time by volunteering within their communities through TD SYNNEX community partners or preferred local organizations.

In July, we focus on our annual Next Meal Campaign. Each year, the campaign brings co-workers together to partner with local organizations focused on combatting food insecurity.

TD SYNNEX's Share the Magic campaign is the focal point of our fundraising efforts. Co-workers from our legacy company, SYNNEX, launched the campaign 11 years ago at what is now TD SYNNEX's location in Greenville, South Carolina. Today, the campaign has expanded across North America with plans to further expand its reach in years to come. Share the Magic has raised over $17 million over the course of 11 years for 12 beneficiaries. They include Children's Hospital Colorado, FIRST Canada and Make-a-Wish South Carolina, to name a few.

Our Community Pillars

Making an impact on local communities has been a point of pride for TD SYNNEX throughout its history and the history of its legacy companies. TD SYNNEX is continuing its commitment to community support with a focus on the pillars of bridging the digital divide, supporting health and wellness, and investing in children and education.

Digital Divide

- **We believe** that anyone can do great things with technology — but first, they need access.
- **We're focused on** bridging the digital divide by ensuring communities not only have access to devices but to digital literacy programs.
- **We're making it happen** by partnering with organizations like Human-I-T and PCs for People.

Wellness

- **We believe** that health and wellness are essential for our communities to thrive.
- **We're focused on** taking action around the globe to respond to unique challenges and situations.

Children

- **We believe** that unlocking potential for all starts early and never truly ends.
- **We're focused on** actively supporting programs that provide children the tools and resources they need to succeed.
- **We're making it happen** through **Share the Magic**, which has raised **more than $17 million over the past 11 years for 12 beneficiaries** in North America.

Governance

TD SYNNEX takes pride in practicing strong corporate governance, in line with the history of our legacy companies and our values of inclusion, collaboration, integrity and excellence. Our corporate governance program is based on industry best practices, local and national requirements and the needs of our various stakeholders. We are committed to meeting and exceeding our responsibilities to our vendors, partners, customers, co-workers and communities. This includes being transparent and reporting our progress along the way.

To support our value of integrity and promote a culture of ethical leadership and decision-making, we have designed and implemented a comprehensive Ethics and Compliance program. The program has many facets, including several courses focused on ethical business conduct, anti-bribery, anti-corruption and other compliance-related issues. We have also established a series of governance guidelines, which outline the roles of our Board of Directors and our company's senior leadership and shared principles, which describe the behavior expected of our co-workers.

Our Corporate Citizenship program is overseen by a cross-functional steering committee of leaders and is supported through our strong partnership with BSR. Our executive leadership team, including the CEO, reviews and approves our corporate citizenship strategy and provides regular updates to our Board.

2022 Highlights

- Harmonized a new TD SYNNEX Global Code of Conduct establishing and communicating our core expectations and principles regarding ethical business conduct that serves as a foundation to guide us as a single, unified team
- Launched TD SYNNEX's purpose, mission, vision and values and fostered one culture under a Servant Leadership in Action model
- Established a corporate citizenship leadership and governance structure, including our Global Responsibility Team and Sustainability Working Group
- Created and filled the roles of Director of Global Responsibility and Global Sustainability Managers

Leading with Integrity

At TD SYNNEX, leading with integrity begins with our Board, who receives regular updates about our corporate citizenship program. As part of our commitment to ensure strong oversight of ESG issues, our Nominating and Corporate Governance Committee assists the Board in its review of the development, oversight and implementation of our ESG policies, programs and practices. Our Audit Committee assists the Board with oversight of the integrity of the company's financial statements, reliability and integrity of the systems of disclosure controls and internal controls over financial reporting processes, the company's compliance with legal and regulatory requirements, the independent auditor's qualifications and independence, performance of the company's internal audit function and independent auditors. The company's IT security and data privacy controls are assigned to the full board via the Corporate Governance Principles. Based on its philosophy of sound corporate governance, the Board sets high standards for itself and for our co-workers, officers and directors. The Board's duty is to serve as a prudent fiduciary for our shareholders as outlined in our governance policies and principles.

We maintain regional and global Compliance Committees to ensure that key executive leaders at TD SYNNEX, including the CEO, are aware of current reporting trends and the resolution or status of investigations and ethics matters. We provide metrics and qualitative details to these internal governing bodies at the end of each quarter.

"The world has an expectation that businesses will be major contributors in helping around environmental, social and governance issues. And you know what? I think that as a group, we're all up for that challenge."

Rich Hume, CEO of TD SYNNEX, during an ESG panel held in 2022 with five of our company's senior leaders for our investor day. Learn more about our leaders' perspectives on TD SYNNEX's role in addressing ESG issues by watching the full ESG panel discussion.

In September 2021, TD SYNNEX's wholly owned subsidiary, Hyve Solutions, which manufactures hyperscale racked server systems for customer data centers, joined the RBA (Responsible Business Alliance) as an "Affiliate" member; and in January 2022 was accepted for "Regular" membership. RBA is a coalition of companies driving sustainable value for workers, the environment and business through the global electronics supply chain. Through this membership, Hyve Solutions joins more than 200 other companies in committing to and implementing the RBA Code of Conduct in its own operations and in deploying the Code to its suppliers.

Prioritizing Privacy and Data Security

Our partnerships are strengthened by relationships built on trust. We know that our partners look to us to help them keep their IT systems and assets secure and we take that responsibility seriously. We apply cybersecurity best practices and international standards, in addition to using best-in-class technology and processes to protect our company and partners. Our company upholds strict IT standards to achieve confidentiality and integrity while ensuring that pertinent information is readily available. We design our IT systems to provide safe and secure use of that information and we extend these best practices to our company's supporting partners. Our policy requires that we use approved TD SYNNEX systems when conducting company business and do not use company devices or networks for any illegal or unethical activities.

While we are constantly improving our organizational and technical measures to stay ahead of emerging threats, we also rely on the security awareness of each of our co-workers. We regularly train our teams to follow all policies and best practices regarding privacy, cybersecurity and IT-acceptable use. TD SYNNEX operates a Cyber Defense Center, which is a specialized security operations team that works to minimize organizational risk and reduce the impact of security breaches through a global team of security experts from across the company to help protect, detect, and respond to threats in real time. They provide continuous security monitoring, vulnerability risk assessment, threat intelligence, and intrusion detection. The Cyber Defense Center uses advanced tools and managed service providers using AI and deep learning to identify atypical user behavior and system events. If we suspect a phishing email, a potential data breach or any other cyber threat, we immediately alert our Cyber Defense Center so it can respond appropriately.

Ensuring Ethics and Compliance

At TD SYNNEX, we empower our global partners to achieve great outcomes with technology. By emphasizing ethical leadership, behavior and compliance, we continue to deliver on our purpose and build our stakeholders' trust. Since unifying our legacy companies, we have worked to harmonize our policies and procedures to ensure a seamless customer and co-worker experience. We want to retain the best practices of both Tech Data and SYNNEX, and we know that will require collaboration and time. Our recently launched TD SYNNEX Code of Conduct establishes and communicates our core expectations and principles regarding ethical business conduct and serves as a foundation to guide us as a single, unified team.

We plan on continuing to enhance our policy library; for example in 2023 we plan to publish a dedicated TD SYNNEX Human Rights Policy, which will include expectations of routine due diligence to identify and address human rights issues in the supply chain.

We also utilize technology to automate guidance and approvals to ensure fast and accurate guidance for our co-workers for common co-worker questions, including gifts and entertainment, conflicts of interest, government official expenses, competitive intelligence and third-party screening. To date, TD SYNNEX co-workers have received over 2,500 instances of custom guidance using these tools.

Should we ever fall short of our principles or fail to achieve compliance, we are committed to taking swift action to address and correct the issue. Our company does not tolerate retaliation and we ask every member of our community to speak up when they see something that isn't right. We have established a broad compliance policy library, as well as reporting channels, to empower our co-workers to understand ethics and compliance issues and report any concerns. These resources include:

- **TD SYNNEX EthicsLine:** provides a means to report any behavior inconsistent with our Code of Conduct 24 hours a day, 365 days a year.
- **Real Tales of Ethics & Compliance video series:** highlights and explains the consequences of real compliance issues.
- **30 Seconds with Ethics & Compliance video series:** highlights key tips and takeaways regarding relevant ethics and compliance topics.
- **Ethics & Compliance toolkits:** provide key points and steps to take in specific situations and delivered in short and simple packages.
- **Policy Pathway modules:** help our co-workers get answers to compliance-related questions digitally and efficiently by leveraging technology tools.
- **Supplier Integrity Principles:** set clear expectations for our suppliers and other business partners regarding human rights in the supply chain, anti-competitive behavior, anti-bribery and anti-corruption, as well as other core governance topics.

Our Principles

Our principles apply to all our co-workers, contractors, Board members and channel partners. They guide us to lead with integrity in the following ways:

- **We will follow** the relevant policies and law
- **We offer a safe,** respectful and inclusive workplace
- **We value** basic human rights
- **We respect** our shareholders and resources
- **We keep** competitive information confidential
- **We report** and manage potential conflicts of interest
- **We are fair and honest** in every interaction
- **We do not tolerate** bribery or corruption
- **We respect** personal privacy
- **We prioritize** cybersecurity
- **We embrace** free and fair competition
- **We hold ourselves accountable** to these principles

Appendix

About this Report

This report details TD SYNNEX's progress in sustainability and is our first-ever sustainability report. Many of the programs mentioned were begun by one of our two legacy companies prior to the merger that established TD SYNNEX – Tech Data and SYNNEX. As part of our effort to establish a unified and strategic approach to all business functions, we believe a corporate citizenship report is a natural next step in tracking the efforts to improve resource management, innovate and ensure responsible governance across our global footprint. It is intended to be our primary source of annual disclosure on sustainability performance and provide a transparent account of our ESG approach and performance. Reporting on other matters can be found in our public SEC filings, annual reports, and corporate website. Data in this report were collected during fiscal year 2022, the period between December 1, 2021 and November 30, 2022, unless otherwise noted.

Safe Harbor Statement

Statements in this report regarding TD SYNNEX Corporation which are not historical facts may be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements may be identified by terms such as believe, expect, may, will, provide, could and should and the negative of these terms or other similar expressions. These forward-looking statements include, but are not limited to, statements regarding our strategies and goals. These are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in the forward-looking statements. Please refer to the documents filed with the Securities and Exchange Commission, specifically our most recent Form 10-K and subsequent SEC filings, for information on risk factors that could cause actual results to differ materially from those discussed in these forward-looking statements. Statements included in this report are based upon information known to TD SYNNEX Corporation as of the date of presentation and TD SYNNEX Corporation assumes no obligation to update information contained in this report except as otherwise required.

Sustainability Data Summary

Corporate Metrics

	2022
Impact	
Total revenue (thousands)	$62,343,810
Technology partners supported	150,000
Countries served	100

Environment

	2022
Energy & Emissions	
Energy Consumption (MWh)[7]	198,562
Renewable energy consumption (MWh)	1,659
Greenhouse Gas Emissions[8,9]	
Scope 1 GHG Emissions (metric tons CO_2e)	14,254
Scope 2 GHG Emissions (metric tons CO_2e)	
Location-based emissions	38,914
Market-based emissions	43,932

[7]Energy usage was estimated/extrapolated for 20% of our energy consumption, and we have used estimations based on two-year averages of energy consumption by building type reported by the Urban Land Institute (Greenpoint Performance Report, Vol. 10 & 11). These estimations are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

[8]We assert that our Greenhouse Gas emissions were calculated and estimated based on the World Resource Institute/ World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, including the GHG Protocol Scope 2 Guidance, An amendment to the GHG Protocol Corporate Standard (collectively, the "GHG Protocol"). We utilize the operational control approach as our organizational boundary to consolidate emissions. Emission factors have been applied according to the prioritization hierarchy set forth by the GHG Protocol. These factors were sourced from the 2022 UK Department of Environment, Food & Rural Affairs (DEFRA), U.S. eGRID, Carbon FootPrint's 2021 Grid Electricity Emissions Factors v1.1, 2020 International Energy Agency (IEA) Emission Factors, Energy Market Authority (EMA), Institute for Global environmental Strategies (IGES) List of Grid Emission Factors 2022, and Association of Issuing Bodies (AIB). The measurement of GHG emissions requires us to interpret the criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. GHG emissions are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary. KPMG LLP (KPMG) has reviewed our assertion that our Scopes 1 and 2 Greenhouse gas emissions for the year ended November 30, 2022 were calculated based on the GHG Protocol. A copy of the KPMG report can be found on page 47. No other information included within the 2022 Corporate Citizenship Report was subject to KPMG's limited assurance engagement and, accordingly, KPMG does not express a conclusion or any form of assurance on such information.

[9]For direct emissions (Scope 1), approximately 6% of the emissions were the result of estimates. For indirect (Scope 2) emissions, approximately 25% of location-based and 26% of market-based emissions were estimated. In these cases, proxies such as floor area and historical usage were used to derive estimates. Emissions categories are rounded to nearest whole percentage.

Sustainability Data Summary, Cont.

Environment

	2022
CDP Assessment	
Score	C “Awareness”
EcoVadis Assessment	
Score	Bronze Medal

Social

	2022
U.S. Ethnicity (%)	
American Indian/Alaska Native	1
Asian	8
Black/African American	11
Hawaiian/Pacific Islander	0
Hispanic/Latino	16
Two or more races	2
Undisclosed	1
Elected Not to Specify	2
White	59

Sustainability Data Summary, Cont.

Social	2022
Workforce	
Number of full-time employees	approximately 23,500
Global Employees by Gender (%)	
Male	58
Female	42

Social	2022
Employee Engagement	
Huang Leadership Development Scholarships awarded	7
Co-workers reporting that they felt welcomed when they joined TD SYNNEX (%)[10]	85
Co-workers reporting that management trusts people to do a good job (%)[10]	81
Business Resource Groups	7

[10]US-only figures.

Task Force on Climate-related Financial Disclosures (TCFD) Disclosure Index

Disclosure Focus Area	2022 Response
Governance Disclose the organization's governance around climate-related risks and opportunities.	Our Corporate Citizenship program is overseen by a cross-functional steering committee of leaders and is supported through our strong partnership with BSR. Our executive leadership team, including the CEO, reviews and approves our corporate citizenship strategy and provides regular updates to our Board. Board members participate in discussions on climate-related issues. The Nominating and Corporate Governance Committee has primary oversight of ESG. Climate-related issues were discussed in several Board meetings in the period, and have later guided major plans of action and goal setting, among others.

TCFD Disclosure Index, Cont.

Disclosure Focus Area	2022 Response
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	We do not define, in explicit terms, substantive risk within our public filings at this time. However, we acknowledge that increasing attention on environmental, social and governance (ESG) matters may have a negative impact on our business, impose additional costs on us, and expose us to additional risks. Companies are facing increasing attention from investors, customers, partners, consumers and other stakeholders relating to ESG matters, including environmental stewardship, social responsibility, diversity and inclusion, racial justice and workplace conduct. In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters. Such ratings are used by some investors to inform their investment and voting decisions. Unfavorable ESG ratings may lead to negative investor sentiment toward the Company, which could have a negative impact on our stock price and our access to and costs of capital. We have established corporate social responsibility programs aligned with sound environmental, social and governance principles. These programs reflect our current initiatives and are not guarantees that we will be able to achieve them. Our ability to successfully execute these initiatives and accurately report our progress presents numerous operational, financial, legal, reputational and other risks, many of which are outside our control, and all of which could have a material negative impact on our business. With regard to climate-related risks, which have the potential to have substantive financial or strategic impact on our business, TD SYNNEX acknowledges that risks exist, but none with potential to have a substantive financial or strategic impact on business. The preliminary climate risk assessment we conducted in 2022 using estimations from the Climate Impact Lab does not show risks with potential to have a substantive negative impact on our business. However, we are continuously assessing risk and may identify additional risks in the future. We will develop our transition plan in the next two years following our formal commitment to SBTi.

TCFD Disclosure Index, Cont.

Disclosure Focus Area	2022 Response
Risk Management Disclose how the organization identifies, assesses and manages climate-related risks.	We conducted a preliminary climate risk assessment in 2022 using estimations from the Climate Impact Lab (https://impactlab.org). This Lab estimates the relationship between a changing climate and human well-being across eight categories: human health, labor productivity, energy demand, agriculture, manufacturing, damage to coastal infrastructure, increased social conflict and crime, and altered migration patterns. In addition to providing localized climate risk information, the Lab is monetizing and aggregating these impacts to produce the world's first empirically derived estimate of the social cost of carbon (SCC) — the cost to society and the economy from each ton of carbon dioxide emitted. Additionally, we have a Business Continuity Plan that follows industry-standard guidelines, which include end-to-end procedures that enable TD SYNNEX to respond to a natural or man-made disaster with minimal disruption to our critical business functions. Disasters are defined as major business interruptions and fall into these categories: natural disasters (e.g., hurricanes, floods, earthquakes, etc.), contamination (e.g., pandemic, HAZMAT leaks, etc.), infrastructure or technology disasters (e.g., data center, telecommunication failure, etc.), and life/safety-security related events (e.g., civil unrest, terrorism, war, etc.). As a part of our planning process, we coordinate with Corporate Real Estate and Security to assess potential risks at each location, which may include, but are not limited to, climate/flood zones, security threats and health/safety risks. In the following months, we will be forming a Climate Task Force with internal functional teams such as Sustainability, Finance, Real Estate, Procurement and Business Continuity Planning.

TCFD Disclosure Index, Cont.

Disclosure Focus Area	2022 Response
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	We are tracking emissions data including: • Gross global Scope 1 emissions (metric tons CO_2e): 14,254 • Scope 2, location-based (metric tons CO_2e): 38,914 • Scope 2, market-based (metric tons CO_2e): 43,932 Our emissions intensity will reduce over the next five years aligned with our goal of net-zero GHG emissions in our global operations by 2045. We will develop our emissions target in the next year when formally submitting to SBTi.

Sustainability Accounting Standards Board (SASB) Standards Index

Multiline and Specialty Retailers & Distributors					
Topic	Accounting Metric	Category	Unit of Measure	Code	2022 Response
Energy Management in Retail & Distribution	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	CG-MR-130a.1	1. Total energy consumed in 2022: Approximately 198,562 MWh 2. Percentage grid energy: Approximately 99% 3. Percentage renewable energy: Approximately 1%

SASB Standards Index, Cont.

Multiline and Specialty Retailers & Distributors					
Topic	Accounting Metric	Category	Unit of Measure	Code	2022 Response
Data Security	Description of approach to identifying and addressing data security risks	Discussion and Analysis	n/a	CG-MR-230a.1	The maintenance of privacy and a security culture and the prevention of cybercrimes is a core focus that is addressed by the Board during security briefings on cybersecurity matters. Our prioritization of our cybersecurity risk management strategy is critical to maintaining the trust of our stakeholders. Our cybersecurity program is led by a dedicated team and includes protocols for detecting, addressing and responding to cybersecurity incidents. Business continuity, disaster recovery planning and testing, and security vulnerability assessments are frequently conducted. Our security strategy has been assessed by several independent security firms. As part of our information security training program, we provide cybersecurity awareness training and emphasize ethical spear-phishing simulations. Our cybersecurity insurance thresholds and deductibles align with industry expectations. 2022 Corporate Citizenship Report > Governance > Prioritizing Privacy and Data Security

SASB Standards Index, Cont.

Multiline and Specialty Retailers & Distributors

Topic	Accounting Metric	Category	Unit of Measure	Code	2022 Response
Workforce Diversity & Inclusion	Percentage of gender and U.S. racial/ethnic group representation for (1) management and (2) all other employees	Quantitative	Percentage	CG-MR-330a.1	2022 Corporate Citizenship Report > Appendix > Sustainability Data Summary
Product Sourcing, Packaging & Marketing	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	n/a	CG-MR-410a.3	2022 Corporate Citizenship Report > Environmental Sustainability > Optimizing Our Operations
Activity Metrics	Number of: (1) retail locations and (2) distribution centers	Quantitative	Number	CG-MR-000.A	As a result of the Merger, we have expanded both our domestic and international operations. We operate 181 distribution and administrative facilities globally.[11]

[11]The locations included in this report are aligned with our Corporate Real Estate listing of sites. Our larger company facilities often have several utility meters and/or accounts. For this reason, some company locations may be counted as one site with several discrete sites within, for the purpose of calculating emissions.

United Nations Sustainable Development Goals

Goal	Most Relevant Targets	Examples of Impact in 2022
Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all (Quality Education)	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	Making an impact on local communities has been a point of pride for TD SYNNEX throughout its history and the history of its legacy companies. TD SYNNEX is continuing its commitment to community support with a focus on the pillars of bridging the digital divide, supporting health and wellness, and investing in children and education. 2022 Corporate Citizenship Report > Social Responsibility > Committing to Our Communities
Goal 5. Achieve gender equality and empower all women and girls (Gender Equality)	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Through our DEI roadmap, we are driven to foster a diverse workforce, an inclusive culture and programs and practices that are equitable for all. We are dedicated to providing opportunities for DEI-focused education, awareness and engagement. To help make this effort come to life, TD SYNNEX has committed to having a diverse Board, with members coming from a variety of industries and backgrounds. Currently, 55% of our Board identifies as female or a member of a minority group. 2022 Corporate Citizenship Report > Social Responsibility > Affirming that Our Differences Make the Difference

United Nations Sustainable Development Goals, Cont.

Goal	Most Relevant Targets	Examples of Impact in 2022
Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (Decent Work and Economic Growth)	8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	TD SYNNEX takes pride in practicing strong corporate governance, in line with the history of our legacy companies and our values of inclusion, collaboration, integrity and excellence. Our corporate governance program is based on industry best practices, local and national requirements and the needs of our various stakeholders. We are committed to meeting and exceeding our responsibilities to our vendors, partners, customers, co-workers and communities. We believe that safety is a shared responsibility, and that we can ensure future safety through a combination of strong work practices and the vigilance of every one of our co-workers. Our objective is to provide a safe workplace and environment for all co-workers and our goal is zero accidents and injuries. We work to achieve this by following the guidance of applicable Occupational Safety & Health Administration (OSHA) standards, continually reviewing work practices, and analyzing any incidents for ways to improve. We provide a wide variety of safety training courses — delivered when co-workers are hired, based on their job description, prior to use of certain equipment, or annually — as appropriate to the situation. 2022 Corporate Citizenship Report > Governance 2022 Corporate Citizenship Report > Social Responsibility > Ensuring a Safe Workplace for All TD SYNNEX Website > Governance Policies and Principles

United Nations Sustainable Development Goals, Cont.

Goal	Most Relevant Targets	Examples of Impact in 2022
Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation (Industry, Innovation and Infrastructure)	9.b Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities	We're a leading distributor and solutions aggregator for the IT ecosystem and our vision is to connect the global IT ecosystem and unlock its potential for all. We're an innovative partner that helps our customers maximize the value of IT investments, demonstrate business outcomes and unlock growth opportunities. Our global reach enables big solutions and we benefit from leadership across our operations who test solutions and programs that make a difference. We partner with the entire technology ecosystem to manage relentless transformation, execute confidently and evolve to capture opportunities as they emerge. We deliver solutions for every type of ecosystem partner through global technology distribution and solution aggregation capabilities. 2022 Corporate Citizenship Report > We're TD SYNNEX TD SYNNEX Website > About Us

United Nations Sustainable Development Goals, Cont.

Goal	Most Relevant Targets	Examples of Impact in 2022
Goal 12. Ensure sustainable consumption and production patterns (Responsible Consumption and Production)	12.2 By 2030, achieve the sustainable management and efficient use of natural resources	Through our new Corporate Citizenship program, we are working to lower our global carbon footprint, expand the circular economy and deliver education and thought leadership by taking a coordinated, collaborative approach. We have committed to the Science-based Target initiative (SBTi) Business Ambition Pledge and established a target to achieve net-zero GHG emissions in our global operations by 2045, with many of our locations aligning with even more aggressive timelines and locally appropriate guidelines. Along the way, we plan to set targets for emissions reductions and increase our sustainability initiatives worldwide. We are also committed to advancing the circular economy by partnering with our stakeholders to maximize the value of technology and minimize waste. To better understand our environmental impact and our opportunities to improve, we have conducted internal assessments and benchmarking. We are also deploying environmental management systems, aligning with international standards and reporting our performance through CDP. We recognize that sustainability is a journey, and we are confident that we can drive meaningful change across our business and the IT ecosystem. 2022 Corporate Citizenship Report > Environmental Sustainability
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	Our goal is to embed circular economy principles into our product life-cycle management strategy and partner with stakeholders to minimize waste through repairs, refurbishment and recycling. Efforts such as our waste reduction program in Hong Kong have earned distinctions including Wastewi$e certification, and in France we achieved ISO 9001 and 14001 certifications and earned EcoVadis' Platinum Medal for our sustainable management system. When we refurbished our Bracknell, U.K., offices, we wanted to minimize waste. By partnering with the charity Waste to Wonder, we donated office furniture to the Not Alone Foundation Trust, which serves underprivileged children in Ghana, West Africa. We plan to adopt the same process as we move and refurbish other U.K. sites. 2022 Corporate Citizenship Report > Environmental Sustainability > Optimizing Our Operations

United Nations Sustainable Development Goals, Cont.

Goal	Most Relevant Targets	Examples of Impact in 2022
Goal 13. Take urgent action to combat climate change and its impacts (Climate Action)	13.2 Integrate climate change measures into national policies, strategies and planning	Climate action can't wait, so we've made it our environmental priority. We began our carbon-reduction journey in September 2021, when we signed the SBTi's Business Ambition Pledge. In line with the Paris Agreement — which aims to limit global warming to pre-industrial levels — we committed to achieving net-zero GHG emissions in our global operations by 2045. To get there, we're focused on minimizing the carbon footprint of our operations while working with partners to help decarbonize the IT ecosystem. We are also implementing data management systems to enhance our collection and disclosure of GHG emissions data. These efforts will help make up our carbon-reduction roadmap, which will outline our pathway forward. 2022 Corporate Citizenship Report > Our Corporate Citizenship Strategy 2022 Corporate Citizenship Report > Environmental Sustainability > Reducing Our Carbon Footprint

Independent Accountants' Report

KPMG LLP
Mission Towers I
Suite 600
3975 Freedom Circle
Santa Clara, CA 95054

To the Board of Directors
TD SYNNEX Corporation:

We have reviewed management of TD SYNNEX Corporation's (the Company) assertion that the Company's Scope 1 and 2 Greenhouse Gas Emissions, as presented on page 32 of the accompanying 2022 Corporate Citizenship Report, for the year ended November 30, 2022 (the "Subject Matter") are calculated based on the World Resource Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, including the GHG Protocol Scope 2 Guidance, An amendment to the GHG Protocol Corporate Standard (collectively, the "GHG Protocol" and the "Criteria"). The Company's management is responsible for its assertion. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Subject Matter in order for it to be in accordance with (or based on) the Criteria. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the Subject Matter is in accordance with (or based on) the Criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The procedures we performed were based on our professional judgment and consisted primarily of inquiries of management to obtain an understanding of the methodology applied, assessment of the Company's application of the stated methodology for deriving the greenhouse gas emissions, and recalculation of a selection of greenhouse gas emissions.

As described on page 32 of the accompanying 2022 Corporate Citizenship Report, the preparation of the Subject Matter requires the Company's management to interpret the Criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. The selection of different, but acceptable measurement techniques can result in materially different measurements. Different entities may make different, but acceptable interpretations and determinations.

Our review was limited to management's assertion that the Company's Scopes 1 and 2 Greenhouse Gas Emissions, as presented on page 32 of the accompanying 2022 Corporate Citizenship Report, for the year ended November 30, 2022 (the "Subject Matter") are calculated based on the Criteria. The Company's 2022 Corporate Citizenship Report includes other information and metrics that were not subject to our review procedures. The Company's 2022 Corporate Citizenship Report also includes goals and targets that were not subject to our review procedures. Accordingly, we do not express an opinion, conclusion, or any other form of assurance on such information or metrics.

Based on our review, we are not aware of any material modifications that should be made to management of TD SYNNEX Corporation's assertion that the Company's Scopes 1 and 2 Greenhouse Gas Emissions for the year ended November 30, 2022 are calculated based on the GHG Protocol in order for it to be fairly stated.

KPMG LLP
Santa Clara, California
February 9, 2023

KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

TD SYNNEX

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Clearwater, FL 33760

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Global Human Rights Policy

TD SYNNEX is committed to conducting all business activities in accordance with all applicable laws, regulations and internationally recognized human rights principles.[i] This TD SYNNEX Global Human Rights Policy ("Policy") provides guidance and establishes clear expectations for all TD SYNNEX business partners.

Due Diligence

We expect our business partners to have a robust due diligence process in place to assess their own and their business partners' performance for human rights and responsible sourcing. This includes:

- Conducting due diligence assessments of how their activities might adversely affect human rights, to minimize adverse impacts, and to remediate harms.
- Establishing and following a process to identify and mitigate risks in their supply chains.
- Conducting social compliance audits on their suppliers that assess supplier performance against Social Compliance topics including, but not limited to: Compliance with laws and regulations, Wages and Benefits, Child Labor, Modern Slavery, Forced Labor and Human Trafficking, Working Hours, Discrimination and Harassment, Environmental, Health and Safety and Freedom of Association.
- Ensuring that suppliers are assessed on an annual basis.

Upon completing this due diligence, it is expected that business partners will take action to improve their own business practices or work directly with their suppliers to develop action plans outlining the steps the supplier will take towards meeting expectations.

Compliance with Laws and Regulations

Partners are required to comply with all applicable laws in any country in which they conduct business and demonstrate actions in all situations that meet or exceed those required by applicable law.

Fundamental Principles and Rights at Work

The following principles apply directly to all TD SYNNEX business partners, who are also expected to ensure the same principles are followed by their suppliers.

Wages and Benefits

Business partners and their suppliers must ensure that wages paid to employees comply with all applicable wage laws, including minimum wages, overtime hours and legally mandated benefits. Holidays and paid annual leave shall be paid according to applicable laws. Benefits provided to employees must meet the applicable minimum legal standards.

Global Human Rights Policy

All employees shall be provided with clear and understandable written information about their wage for each pay period and their employment conditions in a language understood by the employee.

Wage deductions must not be excessive and shall be itemized. Deductions from wages as a disciplinary measure should not be permitted. No deductions from wages are permitted without the express, written permission of the employees concerned.

Working Hours

Business partners must ensure that they and their suppliers comply with applicable laws and industry standards around working hours. All workers shall be entitled to at least one day off during each seven-day period. If overtime work is needed, it should be voluntary and workers shall be compensated at a rate which is higher than regular wages and in accordance with applicable laws. Furthermore, a standard workweek should not be more than 60 hours a week, including overtime, except if there is an emergency or extraordinary circumstances.

Forced Labor

Business partners must ensure that they and their suppliers never use any forced, bonded or indentured labor, or involuntary prison labor, or participate in any forms of trafficking of persons or slavery. All our business partners and their suppliers must respect and follow international human rights instruments, which prohibit all forms of modern slavery and human trafficking**.** This includes transporting, harboring, recruiting, transferring or receiving persons by means of coercion, force, or threat. There shall never be any restrictions on freedom of movement.

Child Labor

Business partners and their suppliers must ensure compliance with all applicable laws and only employ individuals who are at, or above, the legal minimum working age, the age designated by applicable law for completion of compulsory education, or 15 years of age, whichever is greater.

For any work that requires greater maturity, is hazardous in nature, or includes night work that could conflict with educational needs, the employee shall be at least 18 years of age. Partners and their suppliers are required to maintain official documentation of each employee's date of birth, and this should be verified during the hiring process and confirmed through social compliance audits.

Discrimination and Harassment

Business partners must ensure that they and their suppliers never discriminate against their employees or prospective employees in any circumstance. This is inclusive of hiring practices, termination of employees or other terms or conditions of work that reflect discrimination, injustice, and systemic racism, including any form of discrimination or harassment on the basis

of race, color, national origin, gender, gender identity, religion, age, disability, political affiliation, sexual orientation, social or marital status, maternity, or membership in worker's organizations. TD SYNNEX prohibits harassment, discrimination, violence, and retaliation of any kind, and we expect our Business Partners to have zero tolerance for violations motivated by any form of prejudice or bigotry.

Disciplinary Practices

Business partners must ensure that they and their suppliers do not engage in any physical discipline or abuse, the use or threat of corporal punishment, or the use or threat of any type of abuse or harassment against its employees, including but not limited to mental, physical, sexual or verbal harassment. The use or threat of any other forms of intimidation are also prohibited. All major disciplinary measures taken against employees shall be documented.

Environmental

Business partners must ensure that they and their suppliers are in compliance with all local environmental laws and regulations applicable to the workplace. Business partners and their suppliers must also conduct business in a manner which considers their environmental impact.

Health and Safety

Business partners must ensure that they and their suppliers always provide a safe, respectful, and healthy working environment in accordance with applicable laws and regulations. Employees should regularly be trained on health and safety to ensure compliance and employees should be provided with the necessary Personal Protective Equipment (PPE) to conduct their job in a safe manner.

Freedom of Association

Business Partners should always respect the rights of their employees to join any lawful organization, including union membership.

Education

TD SYNNEX recognizes the importance of education and the sharing of best practices in human rights and social compliance. TD SYNNEX is committed to working collaboratively with our partners to provide training on key issue topics and facilitate the sharing of industry best practices around human rights and responsible sourcing practices.

Reporting

Progress is reported on an annual basis through the TD SYNNEX Corporate Citizenship Report which will be informed through the following:

Global Human Rights Policy

- Business partners working with their suppliers to ensure suppliers have effective management systems in place to ensure compliance.
- Business partners and their suppliers maintaining onsite documentation to verify compliance.
- Business partners developing action plans to ensure meeting the expectations outlined herein. The developed action plan needs to include education and training.
- Business partners taking swift action to remediate any issues if non-conformities are identified

At TD SYNNEX request, business partners shall provide documentation that demonstrates compliance to this TD SYNNEX Human Rights Policy.

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[i] We **respect all human rights - civil, political, economic, social, and cultural. TD SYNNEX is committed to respecting the human rights under the following international human rights instruments:**

UN Guiding Principles on Business & Human Rights
The Global Network Initiative Principles
Universal Declaration of Human Rights
International Covenant on Civil and Political Rights
International Covenant on Economic, Social and Cultural Rights
International Labour Organization's Declaration on Fundamental Principles and Rights at Work
Convention on the Elimination of All Forms of Discrimination against Women
Convention on the Rights of the Child
Convention on the Rights of Persons with Disabilities
International Convention on the Elimination of All Forms of Racial Discrimination
International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families
Geneva Conventions and their Additional Protocols
Rome Statute of the International Criminal Court
United Nations Declaration on the Rights of Indigenous Peoples
United Nations Declaration on Human Rights Defenders

TD SYNNEX supports the following frameworks and multi-stakeholder initiatives:

Child Rights and Business Principles
Global Network Initiative
Sustainable Development Goals
United Nations Global Compact
United Nations Standards of Conduct for Business on Tackling Discrimination against LGBTI people
Women's Empowerment Principles

10ZIG
203 TRADING LLC
22MILES
2CRSI
2K
3DTV CORPORATION
3M
3S SYSTEM TECHNOLOGY INC.
5 POINT SOLUTIONS LLC
6CLICKS NETWORKS
65BIT SOFTWARE LIMITED
7Signal SOLUTIONS INC
888 DIGITAL
911INFORM

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AAT DATA
A2C SERVICES LTD
A2C SERVICES LTD DBA
CIRCULAR COMPUTING
AACIS INVESTMENTS, INC. DBA ALPHAGRAPHICS
AADYA
AAEON
AAVA MOBILE
ABBYY USA
ABSEN
ABSOLUTE SOFTWARE
ABSOLUTE SOFTWARE INC.
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ACCELTEX
ACCESS CHANNEL
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ACCORDO INC.
ACCORTEC INCORPORATED
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AMERICAN MICROSYSTEMS LTD.
AMERICAN PRISON DATA SYSTEMS
AMERICAN TECHNICAL FURNITURE - STRATEGIC
AMERICAN TELECONFERENCING SERVICES, LTD DBA PREMIERE GLOBAL
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AOC
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ASUSTOR
AT&T
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DIGITAL SCEPTOR
DIGITAL.AI SOFTWARE
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DIRECT TECHNOLOGY GROUP
DISPERSIVE
DISTINOW
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ECOPOST
ECOPRINTQ
ECS
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USA VISION SYSTEMS, INC.
UTIMACO INC
UVNETWORKS

V3GATE, LLC
V5 SYSTEMS, INC.
VADE / MTA MOVING
VADE SECURE, INC.
VALCOM
VALIDSOFT
VANDER-BENDMANUFACTURING LLC
VARIDESK
VARONIS SYSTEMS
VAULT
VCE
VCOM INTERNATIONAL MEDIA CORP
VDO360 LLC
VECTRA NETWORKS, INC
VEEAM
VEEONE HEALTH
VELOCLOUD NETWORKS LLC
VENTURA TECH GROUP INC.
VERACITY USA, INC.
VERBATIM
VERITAS
VERIZON
VERSA NETWORKS
VERTIV
VG RUSH CORPORATION
VIAAS, INC.
VIAVI SOLUTIONS
VICTORINOX
VIEWSONIC
VIKING COMPUTER PARTS
VIMEO
VINPOWER
VIPRE SECURITY
VIRCOM INC
VIRSAE
VIRTANA
VISION
VISIONEER
VISIONTEK
VISTA IT GROUP
VISUAL LABS
VIVACITY TECH PBC
VIVINT, INC.
VIVOTEK
VIZETTO
VIZIFLEX SEELS INC
VIZIO
VMRAY
VMWARE
VONAGE
VORP ENERGY, LLC
VOTIRO
VU RYTE , INC.
VUZIX CORPORATION
VWR INTERNATIONAL LLC
VXL INSTR
VYAPAY
VZBLTY

WAITTIME
WALLBOARD
WANDERA
WARNER BROTHERS
WASABI
WASP TECH
WATCHGUARD
WEBROOT SW
WEBWORKS
WEIRDWARE VENDOR GROUP
WELLBEATS, INC
WENGER BY GROUP III
WESTERN DIGITAL
WESTERNTECHSYSTEMS INC
WEVIDEO
WHISTIC
WHITECANYON SOFTWARE, INC
WHOOP USA
WIDEPOINT
WILLIAMS SOFTWARE ASSOCIATES
WILSON ELECTRONICS LLC
WIN LONG, USA LLC DBA TITANIUM TECHNOLOGIES
WIND RIVER SYSTEMS
WINMAGIC
WINSTON INTERNATIONAL LTD.
WIRELESS GUARDIAN, INC.
WIREMOLD/LEGRAND
WITFOO INC.
WOLTERS KLUWER HEALTH
WOOTCLOUD
WORKS 360, LLC DBA SPRINXLE
WORKSPOT
WORKWELL TECHNOLOGIES
WOWWEE
WSO2
WSTDIGITAL

X RITE
X6D USA INC
XENCELABS
XEROX
XI3 CORPORATION
XILINX
XINUOS, INC. DBA UNXIS, INC
XOGO, INC
XR HEALTH
XYZPRINTING, INC

YAGNA IQ INC.
YAMAHA
YEALINK
YUBICO, INC

ZAGG INC.
ZEBRA TECHNOLOGIES
ZEPLIN
ZERIFY
ZEROSPAM
ZETASETT
ZEWA, INC.
ZIMPERIUM
ZOHO CORPORATION
ZOTAC INTL
ZPE SYSTEMS
ZSCALER
ZVT INC
ZYXEL

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Artifact 1

TAB 5
PRODUCTS AND SERVICES

TD SYNNEX Corporation is pleased to offer Region 14 Education Service Center (ESC) in partnership with the National Cooperative Purchasing Alliance (NCPA) member agencies access to the entire line of Palo Alto Networks products from the Advanced Technology Solutions cybersecurity category. Palo Alto Networks, the global cybersecurity leader, is shaping the cloud-centric future with technology that is transforming the way people and organizations operate. Their mission is “to be the cyber security partner of choice, protecting our digital way of life.”

As a value-add, TD SYNNEX Corporation is also pleased to offer Region 14 ESC in partnership with the NCPA member agencies our proposal of the TD SYNNEX full line card of IT manufacturers (enclosed), offering the broadest advanced technology solutions that can be purchased in entirety using the NCPA contract without having to utilize multiple contracts to meet their technology needs.

TD SYNNEX distributes technology products from more than 1,500 world-leading IT OEM suppliers to more than 25,000 resellers throughout the US, Canada, and Mexico. Our focused product categories include IT systems, rugged mobility, peripherals, system components, software, and networking.

TD SYNNEX will provide a network of reseller partners who will interface with the NCPA customers, providing onsite assessments/consultation, product information, technical support, customer service support and post-sales support as authorized Order Fulfillers under the TD SYNNEX NCPA contract. These resellers will be required to maintain the appropriate vendor authorizations and sign agreements with TD SYNNEX agreeing to follow the terms and conditions of our NCPA contract. Resellers will be reviewed on a regular basis to ensure we have the appropriate resources to support this contract. These resellers will be our “feet on the street” and act as our local presence with the NCPA customer. TD SYNNEX Public Sector Program Team will work closely with the participating resellers to ensure they have the tools they will need to develop and close opportunities with NCPA customers.

Palo Alto Networks Product Warranty and Hardware Service Model

All Palo Alto Networks products are covered by a 90 day software and 12 month hardware warranty. To take advantage of our warranty related information and updates, we encourage you to register your products through our Palo Alto Networks Support Portal (https://support.paloaltonetworks.com). Other details about your software and hardware warranty are outlined below.

Software Warranty

The standard warranty for software is 90 days. During the 90 day warranty period, you are entitled to all software updates (bug fixes, maintenance releases, and feature upgrades) for your particular software product. You can download the software updates through our software update portal embedded in your device web interface, or through our password-protected Palo Alto Networks support web site. You must create an account and register your device for access into the support portal.

Hardware Warranty

The standard warranty for our hardware is 12 months from the date of shipment. This is a 'return and repair' hardware service model. If a Return Merchandise Authorization (“RMA”) is required during the 12 month period, we will work with you to confirm the hardware problem and issue an RMA number to be used when you ship the product to Palo Alto Networks.

Hardware Return Procedures

You should obtain a RMA number for the product that you wish to return to us, Palo Alto Networks by contacting Support via telephone or by opening a case with Palo Alto Networks Support. You must ship the product in the original packaging (shipping damage that occurs from insufficient packaging is not covered), record the RMA number on the shipping label, and send the product to the specified Palo Alto Networks location. You will be responsible for all shipping costs incurred in returning the defective product. Products will be repaired (or replaced) and shipped within 10 business days from receipt of the defective product by us We will pay all costs incurred in shipping the repaired or replacement product to you, except that if you are located outside the United States, you will be responsible for any taxes, duties, fees or other charges assessed in connection with importing the repaired or replaced product into your country of destination.

Warranty and Service Model Restrictions

- The applicable warranties and Service Model do not apply if the product:
- Has been altered, except by an authorized Palo Alto Networks, Inc.
- Has not been installed, operated, repaired, or maintained in accordance with the instructions supplied by Palo Alto Networks, Inc.
- Has been subjected to unreasonable physical or electrical stress, misuse, negligence, accidental damage, or damage caused by an Act of God.
- Is being used in a different country than where the original purchase or activation occurred.

Other products carry the standard manufacturer’s warranty and will vary by vendor.

Letter of Authorization

Date: 11/14/2023

To Whom This May Concern:

This letter is to confirm that TD SYNNEX Corporation is an authorized Distributor for all Palo Alto Networks products. They have met all the necessary requirements to purchase Palo Alto Networks products and services.

The Palo Alto Network Reseller network can use multiple purchasing paths, including direct or through a distributor or service provider.

For verification purposes, the following information may be used and/or contacted:

Point of Contact Name:	Lauren Aloway
Point of Contact Mailing Address:	3000 Tannery Way Santa Clara, CA 95054
Point of Contact Phone Number:	408-941-3782
Point of Contact Email:	laloway@paloaltonetworks.com

If you have any questions regarding our partnership, please contact the above listed Point of Contact.

Sincerely,

lauren aloway

Name: Lauren Aloway
Title: Sr. GTM Manager – Public Sector Contracts

Customer Reference for TD SYNNEX Products & Services

Entity Name	Copper River Information Technology
Contact Name and Title	Paul Pfleger, Executive Vice President
City and State	Chantilly, VA
Phone number	703-234-3825
Years Serviced	2010-Present
Description of Services	Information Technology Consulting and Services
Annual Volume	$50M

Please provide a brief statement on the description of services:

Copper River IT prides itself on delivering industry-leading performance through the provision of IT products, solutions, and services that leverage our long-standing, elite-level partnerships with top manufacturers, solution providers, and technology experts. Combined with our deep expertise in engineering, systems design, and professional services delivery, Copper River IT is singularly capable of ensuring that the solutions we provide our customers meet their precise requirements. As an end-to-end solution provider, Copper River IT provides clients with a comprehensive range of enterprise services, advanced technology solutions, and acquisition fulfillment

Customer Signature:

Paul Pfleger

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Customer Reference for TD SYNNEX Products & Services

Entity Name	Logicalis, Inc.
Contact Name and Title	Mike Marchal, GovEd Director
City and State	Tempe, AZ (nationwide coverage)
Phone number	480-346-2314
Years Serviced	20+ years for distribution, 7+ years contract authorization relationship
Description of Services	Logicalis is a Value Added Reseller and global technology service provider
Annual Volume	$66M overall; $1,850,000 NCPA

Please provide a brief statement on the description of services:

As an authorized reseller on TD Synnex's contracts, Logicalis has made great strides with our customers in closing deals with the utilization of TD Synnex's procurement contracts, including the NCPA contract. The government and education procurement departments we work with throughout the nation were thrilled to learn that Logicalis can provide products and services through these contracts. The sheer number of available products on these contracts has been extremely beneficial to our customers and meeting the procurement departments' requirements has been easy. We have had a long-standing relationship with TD Synnex as our preferred distributor, and Logicalis' more recent utilization of TD Synnex's contracts has deepened that relationship. Our experience with TD Synnex has been and continues to be superb.

Customer Signature:

X DocuSigned by: Michael Marchal
377031E061D9491...

Customer Reference for TD SYNNEX Products & Services

Entity Name	Mvation Worldwide Inc.
Contact Name and Title	Gunjan Gupta, President
City and State	Glen Cove, NY
Phone number	6465739719
Years Serviced	7
Description of Services	Hardware, software and integration
Annual Volume	$10 M

Please provide a brief statement on the description of services:

Mvation is a reseller partner to TD Synnex. They have provided IT Hardware, Software and support services with best-in-class support.

Customer Signature:

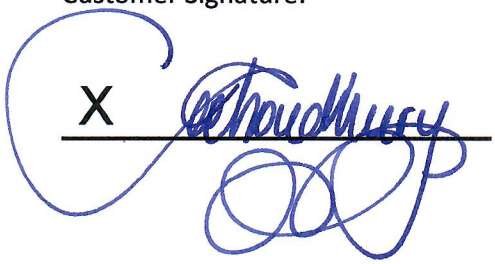
X _____

Customer Reference for TD SYNNEX Products & Services

Entity Name	TANCHES GLOBAL MANAGEMENT, INC.
Contact Name and Title	TANAZ CHOUDHURY - PRESIDENT
City and State	HOUSTON, TX
Phone number	(281) 826-2437
Years Serviced	25 years.
Description of Services	Hardware and Software services.
Annual Volume	3 – 5 million dollars

Please provide a brief statement on the description of services:
TanChes is a 25-year-old fully certified State of Texas Corporation. With over 2 decades of experience and expertise in award winning business processes and alignments, we deliver IT excellence to our Clients in the SMB, Commercial, Enterprise and SLED (State/ Local Governments and Education verticals.
At TanChes we deliver solutions to assist with:
(1) Business Continuity and Disaster Recovery
(2) Infrastructure Design and Maintenance
(3) Cybersecurity.

Customer Signature:

X  11/13/2023

Omnia Partners
840 Crescent Center Drive
Suite 600
Franklin, TN 37067

To Whom It May Concern,

SYNNEX is a valued added distributor that supplies both hardware and software OEM vendors. These vendors include vendors such as Acer, Capsa Solutions, Cisco, Extreme Networks, Google, Hewlett Packard Enterprises, HP Inc, Lenovo, Microsoft, and ViewSonic.

Within the last 15 years ITsavvy has made SYNNEX their preferred distribution source. With over $40M in business that we have done with SYNNEX in 2019, we rely on them for more than just shipping equipment. SYNNEX is a source for support, integration, configuration and services.

GovSolv, within SYNNEX, has provided a high level of expertise in addressing more complex and unique requirements of Federal, State, Local and Educational clients. The contract management team at SYNNEX is superior to any other group that I have worked with; and continues to be best in class.

If I can be of any additional assistance in this reference, please contact me via the information below.

Respectfully

Brian Fields
Senior Director Public Sector

ITsavvy 313 South Rohlwing Road Addison, IL 60101
Tel 630.396.6305 FAX 630.396.6322 bfields@ITsavvy.com www.ITsavvy.com

events | Spiceworks | LinkedIn | Twitter | Facebook | YouTube

Official IT Solutions Provider of Chicago Fire FC

To whom it may concern:

Crossvale Inc., a Dallas based IT professional services company, has been working with Synnex for over three years.

During that time Crossvale has worked approximately 100 deals in the commercial and SLED space. The type of work we have done together is software product resale and IT Professional Services.

Crossvale has found all the staff at Synnex to be:

- Responsive
- Intelligent
- Agile
- Able to execute
- Flexible

Specifically, in the SLED space Crossvale has leveraged Synnex's TX DIR and NCPA contracts successfully. We found the process to be easy, well documented and fast. The Synnex staff were there to answer any and all questions no matter how basic.

I would recommend Synnex as a valued partner to any company wishing to sell their products or services.

If you'd like to discuss further, I would be pleased to chat over any concerns or questions you might have.

Sincerely,

Conor Brankin
CEO
Crossvale Inc
cbrankin@crossvale.com

Customer Reference for TD SYNNEX Products & Services

Entity Name	AATD, LLC
Contact Name and Title	Vernon Putnam, Chairman and President
City and State	San Antonio, Texas
Phone number	844-255-2283, ext 1
Years Serviced	11 years
Description of Services	Software and Hardware
Annual Volume	$10M +

Please provide a brief statement on the description of services:

On time best price delivery of hardware and software product for resale to the Federal government. On-going support to facilitate business growth via year-round networking and company marketing opportunities. Help and assistance with state and local procurement vehicles. Year-round access to training and introduction to new products to help expand my company's market reach. On-going access to nearly any category and level of expertise needed to close business.

Customer Signature:

X

Vernon Putnam, Chairman and President
AATD, LLC

Customer Reference for TD SYNNEX Products & Services

Entity Name	Essnova Solutions, Inc.
Contact Name and Title	Sridhara Gutti, President
City and State	Birmingham, AL 35203
Phone number	888.405.3189
Years Serviced	2018 to current date
Description of Services	Infrastructure, cloud, security and other software and hardware products.
Annual Volume	$500,000 to $1.5M per year

Please provide a brief statement on the description of services:

At Essnova, we specialize in procuring a diverse range of hardware and software products through our trusted distribution partner, TDSynnex, specifically tailored to meet the unique needs of our federal, SLED (State, Local, and Education), and healthcare customers. Our procurement services focus on sourcing essential technology solutions for these critical sectors, including infrastructure, security, cloud, and specialized healthcare IT products. We understand the stringent requirements and compliance standards that federal agencies, state and local governments, and healthcare providers demand. Leveraging our strong relationship with TDSynnex, we ensure that our customers in these sectors have access to the latest and most reliable products and services. Partner with Essnova to streamline your procurement process and enhance the efficiency and effectiveness of your technology infrastructure.

Customer Signature:

X _____

Sridhara Gutti, President

Customer Reference for TD SYNNEX Products & Services

Entity Name	Paragon-One Group, LLC
Contact Name and Title	Frederick C. Hines
City and State	Gaithersburg, MD
Phone number	301-466-5716
Years Serviced	7 years
Description of Services	Partner and resell information technology, software, and services
Annual Volume	$1,200,000

Please provide a brief statement on the description of services:

Paragon-One Group purchases information technology from TD Synnex including computer systems, computer storage, printers, printer supplies, ruggedized laptops, displays, televisions, audio-visual equipment, cables, and backup batteries.

Customer Signature:

X Frederick C. Hines

Frederick C. Hines

Customer Reference for TD SYNNEX Products & Services

Entity Name	TKK Electronics, LLC
Contact Name and Title	Juan Hernandez - CEO
City and State	Milwaukee, WI
Phone number	414-290-0585
Years Serviced	17 years
Description of Services	Computer hardware and software reseller
Annual Volume	$3 Million

Please provide a brief statement on the description of services:

Traditional VAR of computer hardware and software.

Customer Signature:

Juan Hernandez

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Customer Reference for TD SYNNEX Products & Services

Entity Name	RCN Communications LLC DBA RCN Technologies
Contact Name and Title	Reed Perryman, Director of Sales
City and State	Knoxville, TN
Phone number	865-293-0350
Years Serviced	9
Description of Services	RCN provides end to end cellular networking / wireless WAN solutions, services and support to enterprise, SMB and government clients across the US. TD Synnex and their GovSolv division are not only invaluable partners from a fulfillment perspective, but their financing and purchasing contract capabilities have allowed us to win business time and time again over the years.
Annual Volume	$7-8 million

Please provide a brief statement on the description of services:

RCN provides end to end cellular networking / wireless WAN solutions, services and support to enterprise, SMB and government clients across the US. We integrate many 5G/LTE antennas and routers into our own custom products to offer unique, integrated solutions to our customer base that go beyond the scope of traditional wired connections to establish positive business results in the building, the vehicle, and the field.

Customer Signature:

Nov 16 2023 09:34 EST

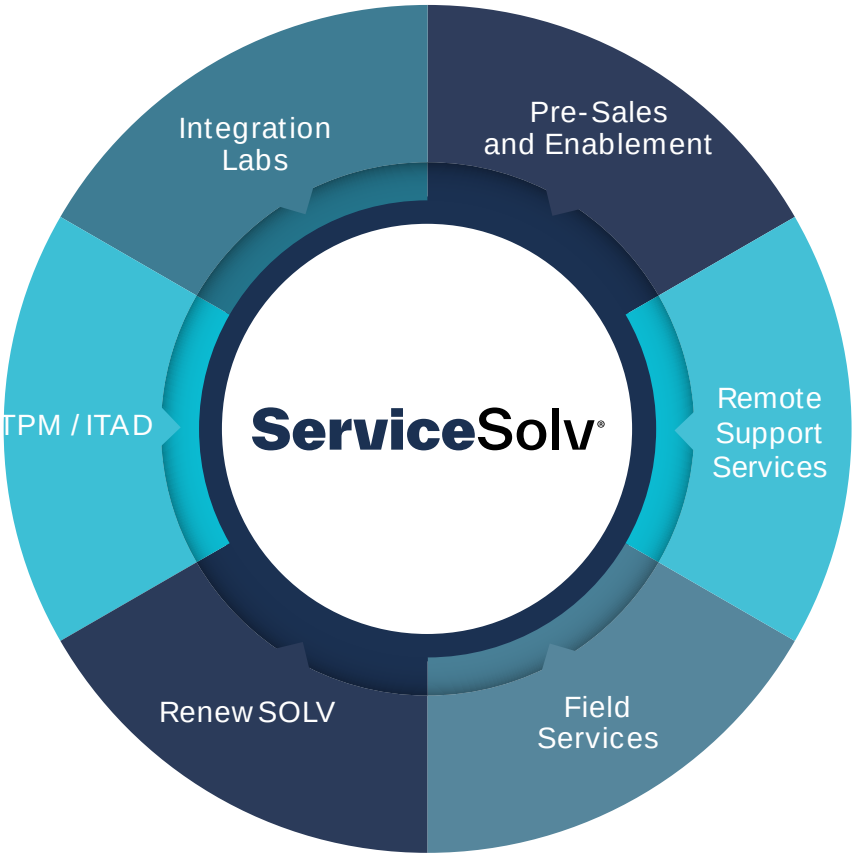
Reed Perryman

TD SYNNEX

ServiceSolv

TD SYNNEX ServiceSolv: Easy to Buy, Easy to Sell

Complete Lifecyle Services End-to-End Solutions



Partner with TD SYNNEX by leveraging our services capabilities giving you access to:

- Hundreds of SME resources available across all verticals
- Custom SOWs turned 24-48 hours
- Online portal for services information
- White labeled resources to sell under your brand
- Global reach to 180+ countries
- Over 1,000 static SKUs available for any Zip Code USA pricing

With a variety of value-added services, TD SYNNEX ServiceSolv can help supplement your company's service offerings, skillsets and geographic reach to expand your services portfolio and grow your business.

See next page for full list of our services.

Pre-Sales Design

- Specific Vendor/ Partner Service Level Agreements SLAs
- Standard Measurement Systems and Metrics
- Vendor Specific Key Performance Indicator KPI
- Cross Sell/ Upsell
- Multi-Vendor Solutions
- Promote Demos / Internal Training
- Technical Certification Management

Pre-Sales Enablement

- Reseller Engaged in Delivering Vendor Programs and Training
- Hosting Webex, Training, Technical Business Development
- Attending Technical Conferences and Partner Meetings
- Vendor Roadmap Planning
- Vendor-Specific KPI
- Proactive Vendor Engagement
- Identify Services for End-to-end Solutions
- Providing Demos for Proof of Value, Hands-On Education, Testing of a Specific Environment

Solution Centers

- Seven locations in the US and Canada
- 175 Solutions Available
- Guided Solutions and Training
- Multi-Vendor Cloud-Enabled Solutions
- Cyber Range Focused on Security

RENEW Solv

- Multi-Vendor, End-To-End Solutions, Provided to Our Partners via an Online Dashboard.
- Continuous and Recurring Pipeline of Warranty and License Opportunities
- Load Your Own Opportunity" Feature
- Weekly Automated Updates and Reminders of Pending Opportunities

Managed Services

- 24x7 Remote Monitoring and Alerting
- Remote Remediation
- Patch Management
- Help Desk Support
- NOC
- SOC

Education

- Public and Private Trainings
- Onsite or Virtual Classes
- Access to:
  - Vendor and IT Certification Training
  - Business Skills Training

Software and Cloud Services

- Consulting, Assessments and Well-Architected Reviews
- Cloud Migration (From On-Premises and Cloud-to-Cloud)
- Cloud Implementation Consulting
- Virtual Desktop Implementation
- Application Development and Modernization
- Artificial Intelligence and Machine Learning
- Automation
- DevOps Consulting (Pipelines, CI/ CD)
- Container Consulting
- Software-defined Networking
- CRM/ ERP Implementation and Integration
- Custom Integrations (Anything-to-Anything)
- Custom Web Development
- Ongoing Support
- Change Management
- Training

Assembly & Configuration

- Custom Hardware Services
  - Client Devices
  - Data Center
  - UCC/ Collaboration
- Imaging and Provisioning
- Software / OS Load
- Valued Added Services
  - Asset Tagging, Labeling, Etching Solutions
  - Bundling, Packaging, Collateral Insertion
  - Burn-In/ Diagnostic Testing
- Staging & Logistics
- Project Management
- Last Mile Delivery
- Testing & Training

ITAD Services

- Asset Buyback
- Data and Physical Destruction
- Recycling

Field Services

- Professional Audio-Visual
- Cabling
- Digital Signage
- Fleet Services
- Telephony
- Point of Sale
- Onsite Installation and Configuration
- Wireless Networking and Site Survey
- Physical Security
- Smart Hands

Professional Services

- Remote Deployment
- Implementation
- Adoption Services and Consultancy
- Health Check and Configuration Audits
- Migrations and Updates
- Project Management
- Data Center Transformation

Annual Maintenance and Warranty Services

- Print
- Data Center
- Compute
- Point-of-Sale

GoldSeal® Support Maintenance Solution

- Product Maintenance Package
- Vendor Authorized OEM Support
- 24/ 7 Technical Support
- Engineered to Site / Hardware Replacement
- Available for:
  - Avaya, IP Office
  - Polycom
  - Palo Alto Networks
  - Ribbon Communications (Sonus)

Security Assessments

- Vulnerability Assessments
- Penetration Testing
- Incident Response and Remediation
- Compliance Readiness
- vCISO

Additional Services

- IOR / EOR
- Staff Augmentation

Grow your business with TD SYNNEX ServiceSolv

For more information, contact our team today via email, servicebd@tdsynnex.com or call 877-358-5505, option # 1

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TD SYNNEX

ServiceSolv

TD SYNNEX Networking Services

With a variety of value-added services, TD SYNNEX ServiceSolv can help supplement your company's service offerings, skillsets, flat rate service SKUs, Level 1-4 engineering expertise and geographic reach to expand your services portfolio and grow your business.

Assess, Design, Install, Configure and Manage with TD SYNNEX's Networking service offerings:

Wireless Networking

- Complimentary predictive heat maps
- Indoor and Outdoor onsite surveys (active, passive, and post-install verification)
- Cabling
- WAP installation and remote configuration
- Monitoring and support

Router/Switch

- Rack and stack services
- Cabling
- Configuration services
- Remote management and support

5G Networking

- Indoor/outdoor surveys
- Cellular router installations (in-building and in-vehicle) and management
- Design services
- Implementation services
- Configuration
- Testing
- Monitoring

Grow your business with TD SYNNEX ServiceSolv

For more information contact our team today at servicebd@tdsynnex.com

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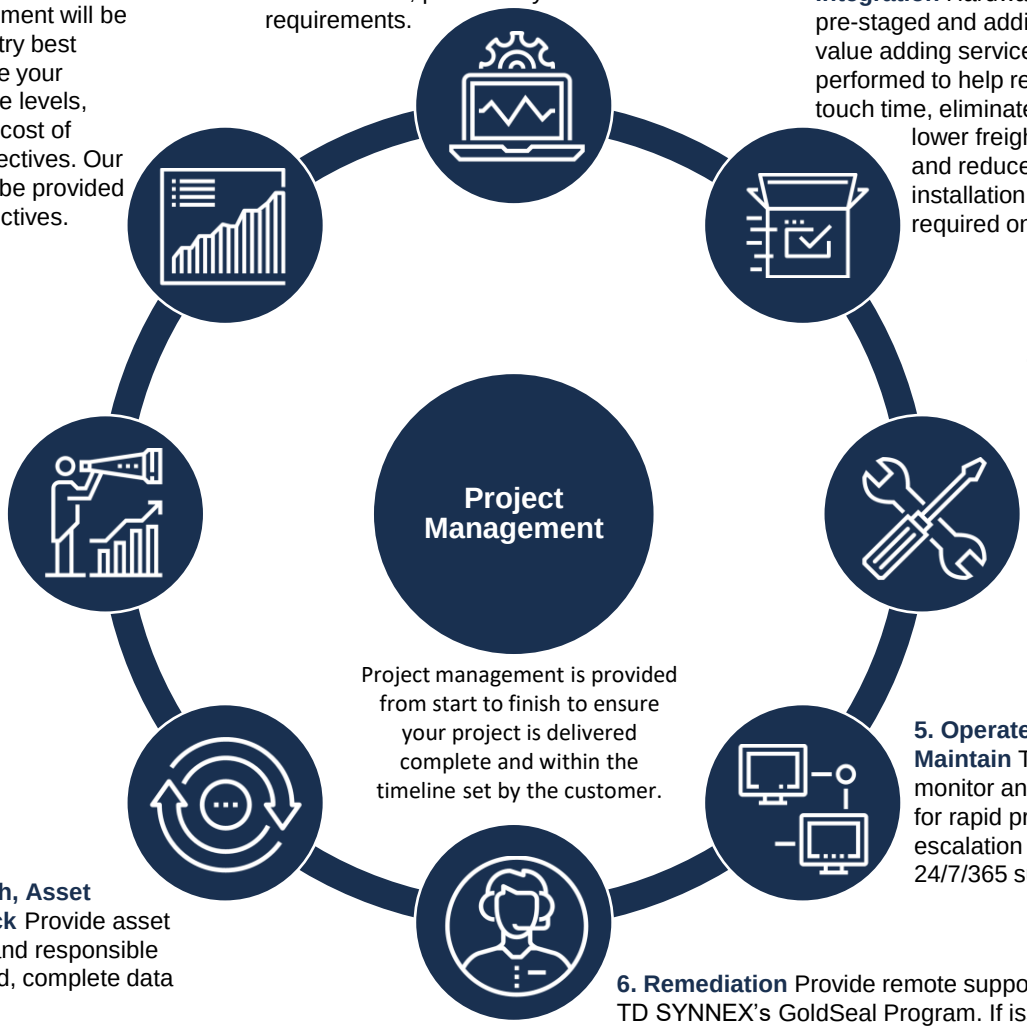
The complete life-cycle of a solution

1. Lifecycle Strategy and Assessment Your IT Infrastructure environment will be analyzed using industry best practices to determine your required policy service levels, productivity and total cost of ownership (TCO) objectives. Our recommendation will be provided to achieve these objectives.

2. Design and Consulting Provide a Gap Analysis, design recommendations and/or vendor recommendations to meet the policy service levels, productivity and TCO requirements.

3. Build-to-Order and Integration Hardware will be pre-staged and additional value adding services performed to help reduce touch time, eliminate DOAs, lower freight costs, and reduce installation time required onsite.



4. Implementation and Deployment Hardware and software will be deployed, upgraded, or configured to project specifications onsite or remote by TD SYNNEX Field Services

5. Operate, Manage, and Maintain TD SYNNEX NOC will monitor and manage IT devices for rapid problem resolution and escalation where needed with 24/7/365 support.

6. Remediation Provide remote support through TD SYNNEX's GoldSeal Program. If issues cannot be remediated remotely and hardware must be replaced, TD SYNNEX will dispatch an engineer onsite to replace the device.

7. Technology Refresh, Asset Disposal, and Buyback Provide asset buyback, eco-friendly and responsible disposal and, if required, complete data asset destruction.

8. Ongoing Reviews for Contiguous Improvement and Compliance We will provide policy service levels, productivity and TCO reviews to validate your return on investment as well as further recommendations to meet your changing business needs.

Project management is provided from start to finish to ensure your project is delivered complete and within the timeline set by the customer.

Grow your business with TD SYNNEX ServiceSolv

For more information contact our team today at servicebd@tdsynnex.com

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TD SYNNEX Public Sector

OMNIA PARTNERS

Reseller Name	Full Name	Diversity Status	City	State
1st Run Computer Services	Rhea Schultzberg	SB	Roslyn	NY
525 Technologies	Travis Bozeman		Lawrenceville	GA
954 Consultants	Kassidy Graham	MO	Oakland Park	FL
ABACUS INFORMATION TECHNOLOGY, LLC	Eric Ziobro		New York	NY
Abico, LLC	Gaurav Budhiraja	Small Business	Cary	NC
ABTECH TECHNOLOGIES, INC.	Dana Collins	SB	Vista	CA
Accudata Systems, LLC	David Corwin		Houston	TX
ACE IT Innovations	Adam Blum		Timmonsville	SC
ACTURE SOLUTIONS, INC	MaryLynn Etta	845-629-7088	SCHENECTADY	NY
ADVANCED DIGITAL SOLUTIONS INTL	Fredrick Solomon	SB, MO	Las Vegas	Nevada
Advanced Network Management (ANM)	Shala Pelloni		Albuquerque	NM
Advantage Technology LLC	Michael Ferrari	None	Charleston	WV
AEC Group, LLC	Jeffrey Waag	Women Owned Entity (WBENC Certified)	Oakdale	Pennsylvania
AEC Group, LLC.	Jeff Waag	Woman Owned Entity	Oakdale	Pennsylvania
Ahavahprem Software Corporation	Murthy Pothuraju	SB, WO, MO	Thousand Oaks	CA
Ahead Inc	Peter Theodore		Birmingham	AL
AIP US, LLC	MIN WANG	MBE	Millburn	NJ
AirGap Labs LLC	Frank Wang		Irvine	Ca
Akins IT Inc	Michelle McKerman		Newport Beach	CA
Alchemy Technology Group, LLC	Graham Upton		Houston	TX
Alpha Technologies, Inc.	AJ Conny	SDVOSB	Hurricane	WV
Alternative Information Systems	Herbert Guth	SMB	Buffalo	New York
American Sound & Electronics, Inc.	Matt Camden		Covington	KY
American Wordata, Inc. AW Data	Tyler Fogle	EDWOSB, WOSB, DBE	Tampa	FL
APEX Digital Imaging, Inc.	Milton Jones	abled Veteran-Owned Small Business, Black Amer	Tampa	FL
Apex Omnisource	Patrick Ballard	SDVOSB	Watkinsville	GA
Applied Data Tech	Lisa Windle		Charlotte	NC
Applied Technology Group	Lori Barnes	SB, WO	Bakersfield	CA
Applied Technology Services - ATS	Rich Weaver	WBE, WOSB, DBE	Middle River	MD
ArchAngel Education Technology	Coby Garrett		North Miami Beach	FL
Ardham Technologies, Inc.	Shay Daves	SB	Albuquerque	NM
Arey Jones Educational Solutions	Sydney Bensinger	na	San Diego	CA
Arraya Solutions, INC	Ed Greene		BLUE BELL	PA
ARTILUS, INC	Christopher Milian		Bristol	PA
Aspire Technology Partners, LLC	Robin Schmidt	None	Eatontown	New Jersey
Aspire Technology Partners, LLC	Robin Schmidt		Eatontown	NJ
Aspire Technology Partners, LLC	Robin Schmidt		Eatontown	NJ
Associated Data Products Inc.	Stan Jensen	SB	Shreveport	LA
Asterisk Dot Asterisk Technologies DBA ADA Technologies	Steven Franco		Austin	TX
Atlantic Computing	Kevin Dowd	SB	Niantic	CT
Audio Visual Innovations (AVI-SPL)	Steve Benjamin		Tampa	FL
Avexon, LLC	Kerri Glynn	Women owned	metairie	Louisiana
AVIDEX INDUSTRIES LLC DBA AVIDEX	Lindsay Martinez		Redmond	WA
Avixum	Chris Kitson		Fort Myers	FL
Avvid Consulting LLC dba Avvid IT Solutions	Barry Beitz		Gilbert	AZ
AXCELERATE NETWORKS INC	Monique Ortiz	SB	San Jose	CA
BAILEY COMPUTING TECHNOLOGIES INC	Chase Boles	SB	Gray	TN
BB2 Technology Group, Inc.	James Bartlett		Dana Point	CA
Better Direct, LLC	Diana Zhong	SB, HUBZone, SDVOSB, SDB	Tempe	AZ
Bird Rock Systems Inc	Jack Rentz		San Diego	CA
BIT Direct Inc	Robert Daly	WO	Tampa	FL
BlackHawk Data LLC	Lauren Bretton	WBE	New York	NY
BLACKPOINT IT SERVICES INC	Julie Castronuevo		Kent	WA
BLUE SOURCE GROUP, INC.	Jared Abramson	8(a), MBE	OLNEY	MD
BlueAlly Technology Solutions, LLC	Miriam Rodrigue	SB	Cary	NC
BorderLAN Inc.	Andy Lahm		San Marcos	CA
Bridge Data Solutions	Michelle Brichard		Redmond	WA
Brightcentra, Inc.	Frederick Wick	SB	South San Francisco	California
Brown Enterprise Solutions LLC	George Brown	MBE	Dublin	Ohio
Burwood Group	Dani Lockett		Chicago	IL
BUY A COMPUTER, CORP	Judah Zelik		Monroe	NY
Byte Works	Lisa Thiele		Duluth	GA
Call One Inc	Dawn Mays	WBENC	Cape Canaveral	FL
Cambridge Computer Services, Inc.	Joe Heitmeyer		Waltham	MA
Cambridge Computer Services, Inc.	Joe Heitmeyer		Waltham	MA
CampbellNet Solutions	Donald Campbell	SBE	Fairport	NY
CARBONHELIX LLC	David DeLozier		Cheyenne	WY
Carolina Advanced Digital Inc	Julie Allen	SDVOSB	Siler City	NC
Carousel Industries	Kathy Thomas	N/A	Exeter	RI
CARROLLWOODS, INC. D.B.A CARROL COMMUNICATIONS	BYRON CARROLL		Longs	SC
Cashel Corporation DBA Integrated Media Systems	Craig Petorella		Costa Mesa	CA
cb20 Inc	Thomas Franceski	None	Saratoaga	NY
CBTS Technology Solutions	Steve Lankard		Cincinnati	OH
Cerium Networks, Inc.	Roger Junkermier	NA	Spokane	WA
Challenge Innovation Technology, Inc.	Kenneth Wells		Canton	MS
Cherbonnier Mayer and Associates d.b.a. CMA Technology Solutions	Marty Mackey		Baton Rouge	LA
Chromis Technology LLC	Zach Garcia		Gilbert	AZ
Clear Winds Technologies	Hayden Hatchcock	SB	Vestavia Hills	AL
CLOUD ADVISORY SERVICES, INC - CAS	Divya Pandya		WEST HENRIETTA	NY
Cloud Revolution LLC	Adam Ball		Lafayette	CO
Clutch Solutions LLC	Damien Norwood	NMSDC MBE, Arizona DBE, NYC + NYS MBE	Mesa	AZ

Reseller Name	Full Name	Diversity Status	City	State
Code 3 Technology, LLC	Clay Jeppsen		Mesa	AZ
Commsys Technology Corp (DBA) CST Corp	Sanjeet Chauhan	Asian-Pacific American, Minority Owned, SBA	Houston	TX
COMMUNICATION AND TECHNOLOGY INDUSTRIES, INC	William Dudley		Metairie	LA
Communications Professionals Inc	Terence Hood	SB, MOSB, Disavantaged	Troy	MI
Compucom	Carol Morris		Fort Mill	SC
Compuquip Technologies, LLC dba Compuquip Cybersecurity	Damien DeJesus	MBE	Doral	FL
Computer Systems Integrators Inc.	MaryLynn Etta	N/A	Fishkill	NY
Computer Wholesale Products of America, Inc. | CWPA	Michelle Kalkhoff		Spring	TX
Computers At Work DBA vTECH io	DJ Peterson	WBE	Naples	FL
Comsource, INC	Adam Puccia		Syracuse	NY
ComSource, Inc.	Adam Puccia	N/A	Syracuse	NY
Concise Networks, LLC	Dan Dunn	WOB	Chapel Hill	NC
Connected Solutions Group, LLC	Joe Alfieri		Mechanicsville	VA
Consolidated Computing Inc	Michael Samoska		EASTON	CT
Consolidated Computing Inc	Mike Samoska		EASTON	CT
Converge Technology Solutions US, LLC	Lynda Thomas		Peachtree Corners	GA
ConvergeOne, Inc.	Aaron J. Johnson		Bloomington	MN
ConvergeOne, Inc.	Greg Miles		Bloomington	MN
Copper River IT	Mike Vergis	Alakan Tribal Owned, SDB	CHANTILLY	VA
Core BTS, Inc.	Jason Eickmann		Indianapolis	IN
CORPORATE COMPUTER SOLUTIONS INC	Larry Grippo		HARRISON	NY
Covene LLC	Jon Kreher	N/A	Saint Louis	MO
CPAC Inc.	Ace Garin	SB, WO	Anaheim	CA
C-Pak Corporation DBA CPAK Technology Solution	Sarah Abbott		Lagrange	GA
CREATIVE LEASING SOLUTIONS INC - CLS	Divya Pandya	MWBE	NORTH BRUNSWICK	NJ
Crossconnect Engineering	Jeff Kronlage	No	Colorado Springs	CO
CSP Enterprises	Sherry Vesper	WBE, WOSB, EDWOSB, SB	Frederick	MD
CTG,INC DBA CTGG,INC	Nickoy Bennett		SICKLERVILLE	NJ
CTI Group	Aaron Toczynski		Simi Valley	CA
CTS Mobility DBA Complete Tablet Solutions Ltd	Adrian Trejo	MBE, HUB	Austin	TX
Cumulus Global	Paul Drotch		WESTBOROUGH	MA
Custom Computer Specialists Inc	KYRIAKOS KAIMIS		Hauppauge	NY
Custom Tech Solutions, Inc.	Jayson Truong		Anaheim	CA
CVE Technologies (Cache Valley Electric Company)	Kent Rogers		Salt Lake City	UT
CyberNorth LLC	Jeremy Lombardo		South Portland	ME
CYBEROGUE CORP	Juan Torres	SDVOSB	Deltona	FL
Daly Computers	Ryan Yu		Frederick	MD
Danmark Technologies	Ethan Wallen		Rogersville	AL
Dasher Technologies, Inc	Larry Melvin		Pasadena	CA
Data Center Warehouse LLC	Sergio Ramalho	n/a	Laguna Hills	California
Data Network Solutions Inc	Cathy Lipscomb		Chapin	SC
DATA NETWORKS OF AMERICA	Samantha Hittie		Hunt Valley	MD
Data Storage Science	Angelica Hayag	WOSB, SB, MO	Sterling	VA
Data Storage Science, LLC	Maria Angelica Hayag	WOSB	Sterling	VA
DATALINK NETWORKS INC	Brian Wisdom		Santa Clarita	CA
Datalyst, LLC	Nicole Moniz		LAKEVILLE	MA
Dataway US	Dyan Whyte	SB	San Francisco	CA
DCi Technology Solutions, LLC	Gary Eckert	N/A	Branchburg	New Jersey
Decision Tree, Inc.	Brent Lawson	WOSB	El Paso	TX
Derive Technologies, LLC	MItch Martinez	MBE	New York	NY
DEVELOPMENT GROUP INC	DANIEL LOCKWOOD		Redding	CA
DG Technology Consulting LLC	Debbie Gannaway			
DGR Systems	Amanda Dugger		Tampa	FL
DHE Computer Systems LLC	Greg Ingram	SB, WO, MO	Centennial	CO
DI Technology Group Inc DBA Data Impressions	Ben Ahn		Cerritos	CA
DIGITAL HOME LLC	Henry Johnson	SBA, MBE, NMDSC	KEARNY	NJ
Diltex, Inc.	Rubani Singh	SB, WO, MO	West Covina	CA
Direct Packet Research Inc DBA OneVision Solutions	Brian Houts	Small Business	Irving	TX
DirSec Inc	Mallory Rubbo		Louisville	CO
Distributed Technology Group, LLC (DTG)	Mark Mathenson	SDVOSB	Syracuse	NY
Distributed Technology Group, LLC (DTG)	Mark Mathenson	SDVOSB	Syracuse	NY
DLC Technology Solutions, INC	Darren Crane		MARLTON	NJ
DOF CREATIONS, LLC	SAEED GORDON	MINORITY-WOMAN OWNED BUSINESS	TAMPA	FL
DOX Electronics INC	Dale Musson	WBENC	Rochester	NY
DRCS, LLC	David Robbins		Fayetteville	NY
Dreadnought Endeavors Inc	Rowan Edge	SBE	Calabasas	CA
Dynamix Group, LLC	Laura Hemaur	SB,WO,VO,MO	Milton	GA
DynTek Services, Inc. DBA Arctiq	Darlene Pricher		Irvine	CA
eCare, LLC	Alan Newman		Montgomery	AL
Ednetics Inc.	Colby VanVooren		Post Falls	ID
Edsol Communications, LLC	Patricia Mir		Frederick	MD
Effective Tech	Shawn Santere		HENDERSON	NV
EKC Enterprises, Inc.	Chris Shafer		Fresco	CA
Emergent Technology Services, Inc.	Felicia Joubert	WO, MO, SB	Elk Grove	CA
Empire Computing & Consulting	Gloria Burke		Daytona Beach	FL
Encore Technology Group, LLC	Russell Young	N/A	Piedmont	SC
enDevelopment LLC	Steve Josey	SDVOSB, HUBZone	Newburgh	NY
EOS Systems INC	Stacy Arambages		Boston	MA
ePlus Technology, Inc.	Amy Knower		Herndon	VA
Ergonomic Solutions, Ltd.	Patricia Jenks		East Rochester	NY
ESECURITY SOLUTIONS, LLC DBA ESECURITYTOGO	Alexandra Ruffolo		Irvine	CA
EXONNEX LLC	Syed Taimoor Shah	Minority-Owned Business Enterprise	Marietta	GA
FEDERAL NETWORK SERVICES INC (Leverage Information Systems, Inc)	Douglas Chesler	SB	Woodinville	WA
Fisch Solutions	Jason Fisch	None	Newburgh	NY
Five 9	Thu Nguyen		San Ramon	CA
Flagler Technologies LLC	Ken Wagner	herging/Small/Women Business Enterprise (E/S/WB	Boca Raton	FL

Reseller Name	Full Name	Diversity Status	City	State
Ford Office Technologies	Sean Carnathan	SB	CONNELLSVILLE	PA
Forward Edge (TD)	Chip Logan		Sharonville	OH
Frontier Technology LLC dba MicroAge	Vicki Chacon	SB	Phoenix	AZ
Fusion Digital	Taylor Ferranti	WBE, WO	East Rochester	NY
Future Tech Enterprise, Inc.	Dawn Rhodes		Fort Lauderdale	FL
GCS Imaging, INC	Shaina Massa		Maywood	NJ
GDT General Datatech LP	Ed Bosak		Dallas	TX
GHA Technologies, Inc.	Laurie Coon	SB	Scottsdale	AZ
GIGAKOM	Nancy Mena	SB	San Diego	CA
Gilead Technologies Inc	Victor Chukwuma	MBE, SBE, HUB, and DBE	San Antonio	TX
Global CTI Group, Inc.	Kristin Pitts		Bakersfield	CA
Global Group Holding LLC	Kevin Logan	SDVO	Shreveport	LA
GLOBAL MARKET INNOVATORS, INC.	Mo Hussain	MOSB	Phoenix	AZ
Golden Star Technology, Inc. DBA GST	Dennis Wang	SB, WO, MO	Cerritos	CA
Granite Financial Solutions dba Granite Data Solutions	Annee Corea	SDVOSB	McClellan	CA
GSS Infotech DBA Atec Group	Ken McKenna		ALBANY	NY
GTS Solutions, Inc.	Tom Booth		Chapin	SC
Guardian Home Services, LLC dba Advanced Classroom Technologies	Britt Domer		Arlington	WA
Guidepoint Security LLC	Michael Volk		Herndon	VA
Heartland Business Systems	Mark Koxlien		Little Chute	WI
Helixstorm Inc	Jill Angues	SB Enterprise	Temecula	CA
Heritage Hub Solutions LLC	Travis Bumgardner	WO, MO, SB	Prescott Valley	AZ
HIC Network Security Solutions LLC	Vanessa Lardiere		MADISON	NJ
High Point Networks LLC	Andy Middlemiss		West Fargo	ND
Horizon Telephone System DBA HTS Voice & Data Systems	Troy Salanis	MO	San Antonio	TX
Huber & Associates Inc	Lindsay Hoffmann	WBE	Jefferson City	Missouri
I Copy, Inc DBA IBE Digital X-Tech Systems	Sloan Varing	MBE	Garden Grove	CA
iConvergence	Kirk Gilbeau		Lafayette	LA
Impex Technologies LLC	Katie Vizgirda	MO	El Segundo	CA
Inacomp Technical Services Group LLC	Jamie Ogden		Southfield	MI
InCare K12, LLC	Pam Williams		Birmingham	AL
Industrial Surface Solutions LLC	Rene Orona	SB, VOSB, SDVOSB	Bellevue	WA
Ingram Technologies LLC	David Ingram		Austin	TX
Integra Business Center DBA IntegraONE	Linda Sadler	Small Business	Allentown	PA
Integrated Office Solutions	Alphonzo Henderson	SB	Forest Park	GA
INTELLI-TECH	Rosy Salgado	WO	La Verne	CA
InterDev, LLC	Jesse Cail		Rosewell	GA
International Data Link	Jen Lis		ROCHESTER	NY
Internet Content Management	Ted Dawson	WO	Ridgeland	MS
INTERSECT TECHNOLOGY GROUP INC.	Steve Norton		ALPHARETTA	GA
INVSATEK LLC	Charles Ongele	SDVOSB, WOSB	LANHAM	MD
IP Data Systems	Cindy Wells	SB	Ellicott City	MD
IPHONE AND IPAD WAREHOUSE	Brian Farrell	SB	Fort Lauderdale	FL
Iron Bow Technologies	Krista Youngblood		Herndon	VA
ISG Technology, LLC	Chris Helvey		Overland Park	KS
ISSQUARED, Inc.	Kimberly Rider	MO	Westlake Village	CA
IT Devices Online, Inc.	Ahad Ahmad	SB. MO, Disadvantaged Business	Walnut Creek	CA
iT1 Source, LLC	Ian Dunnington		Tempe	AZ
ITSAVVY LLC	Chris Turner	Minority Owned	Addison	IL
IVOXY CONSULTING INC	Conni Elliott		Seattle	WA
IVS Computer Technology Inc.	Suzanne Camarillo	SB, MO	Bakersfield	CA
Kandu Global Telecommunications, Inc.	David Roosevelt	VO, MO	Beverly Hills	CA
Keystone Business Solutions	Michael Miller		Goodlettsville	TN
Kiro Group LLC	Kishan Patel		PARLIN	NJ
KOPESKY ENTERPRISES INC.DBA SURE LOCK TECHNOLOGY	Jonathon Silk		Lawrenceville	GA
KT'S OFFICE SERVICES, LLC	KATHY CAULDREN	WOSB, WBE, SDB	LANOKA HARBOR	NJ
KT'S OFFICE SERVICES, LLC	KATHY CAULDREN	SWOB	TOMS RIVER	NEW JERSEY
KU TELECOM, LLC DBA EXCELLERE IT SERVICES	Charlie Burnett		Jacksonville	FL
Laketec	Kelley Monasterio		North Olmsted	OH
Layer 3	Daniel Smith		Hoover	AL
LEVEL 3 AUDIO VISUAL LLC	Maria Cody		Mesa	AZ
LEVEL SOLUTIONS GROUP, LLC	Kenyon Barnett		HIGH POINT	NC
Lexi Global Corporation	Maria Garcia	SB,MO	Upland	CA
LINK COMPUTER CORP	Tim Morder	SB	Bellwood	PA
Logicalis, Inc.	Nikki Perez		Troy	MI
Logista Solutions	Vic Murphy		Columbus	MS
Lucidia IT LLC	Benjamin Groff	WBE	Indianapolis	IN
Lyon Micro, LLC	Kyle Lyon		Canandaigua	NY
M.A. Polce Consulting, Inc.	Kelly Palinski		Rome	NY
MABC - Mid Atlantic Business Comm	Greg Miller	VOSB, WOSB, SWAM	PORTSMOUTH	VA
Mainline Information Systems, LLC	Chris Long		Tallahassee	FL
Management Data Systems Int'l, Inc. (MDSi)	Bill Martin	WO	Alpharetta	GA
ManEvSis LLC	Syed Rahman	DBE, MBE, HUB, ACDBE	Austin	TX
Mark III Systems Inc	Stan Wysocki	Women Owned	Houston	TX
Maureen Data Systems, Inc.	Sylvia Lin		New York	NY
McCann Systems	Tom Treichel		Edison	NJ
MCG BUSINESS SOLUTIONS, INC	Chris Morton		Mobile	AL
Mercury Networks	Larry Meister		Penfield	NY
Meredith Digital	Liza Susanti			
MERGENT SYSTEMS INC	Michael DeCrane	SB/DVBE	Folsom	CA
Meridian IT, Inc.	Doug Drake		Deerfield	IL
MGS Group, Inc.	Sylvester Bush		Washington	DC
Micro Strategies Inc	Lou Sciacchetano	SB	Parisippany	NJ
MicroTechnologies LLC (dba MicroTech)	Alexa Cushman	SDVOSB	Delreay Beach	FL
Minoria Tech LLC	Rose Robles	HUBZone, WOSB, WBE	Daytona Beach	FL
MJM Systems, Inc.	Denise Spadafora		Somerset	NJ

Reseller Name	Full Name	Diversity Status	City	State
Modern Networks, LLC	Robert Langdale	n/a	Lake Mary	FL
Monumental Technologies	Josh Jennings		Thorsby	AL
MorseCom	Annette Costello	WOSB, WBENC, VO	Melbourne	FL
MRA International	Scott Cherel		LONG BRANCH	NJ
mVation Worldwide Inc	Barry Weinstein	DBE, SB, MBE, HUBZONE	Glen Cove	NY
Natix, Inc	Jody Timmons	SB, SDVOSB, VO	Meadow Vista	California
Netconverse	Chris Clark	SB	Tampa	FL
Network Digital Security	Jen Peters	MO	Alpharetta	GA
Network Outsource Inc	Adam Mahoney		New Hyde Park	NY
Networking Technologies, LLC	Wendy DeArment	SB	Erie	PA
New Tech Solutions, Inc.	Rajesh Patel	SB, MO	Fremont	CA
Nfina Technologies	Warren Nicholson		Mobile	AL
NIC Partners	Kalen White		Rancho Cucamonga	CA
Nisewonger Audio Visual Center, Inc.	Ashley Yates		Lawrenceville	GA
Northeast IT	Brian Sullivan		WEST SPRINGFIELD	MA
Now Micro Inc.	Marty Linden		Mendota Heights	MN
NSTV2, LLC DBA SOURCEPASS	Doug Simon		MELVILLE	NY
Nth Generation Computing, Inc.	Joyce Russell	WBE	San Diego	CA
NTT AMERICA INC	Julie Campbell		New York	NY
Nuage	Karl Carichner		Tunkhannock	PA
NutMeg Consulting LLC	Russ Cormier		MIDDLETOWN	CT
NWN Corporation (Carousel Industries of North America)	Adam Frankel		Exeter	RI
NXT Gen Technologies	Paul Mansur	SB	MIAMI	FL
OBFUSCATION CONTRACTING LLC	Brandon Hedge		JEFFERSONTON	VA
Ocean Computer Group	Louis Tsotakos	SB	Matawan	NJ
OETC - ORGANIZATION FOR EDUCATIONAL TECHNOLOGY AND CURRICULUM	Thomas Richards		Salem	OR
ONE TECHNOLOGY CORPORATION	Pete Rivers	SB	Parker	CO
OneNeck IT Solutions, LLC	Juli Cambron		Madison	WI
Optimus TechServices, LLC DBA Seamless Advanced Solutions	LeeAnn Colon	HUB, MBE	Bee Cave	TX
Optiv Security Inc.	Amy Powell		Denver	CO
ORE POWER LLC	Tanner Timmons		CALIFONIA	NJ
Pacific OneSource, Inc. dba STS Education	Madeline Wilson		San Diego	CA
PACKET FUSION INC	Sarah Ashley		Pleasanton	CA
Panzer Security Consulting Inc	Jacob Ideji	SDE, MBE, SBE, HUB	Denton	TX
Pascack Data Services, Inc.	Howard Adler	ant with Certificate of Employee Information Repor	Hawthorne	New Jersey
PC Solutions & Integration Inc	Danny Poindexter	WO, MO	Miami	FL
PC Specialists, Inc. dba Technology Integration Group (TIG)	Jerrie Dodd		Poway	CA
PC University Distributors Inc	Sandy Ramjit		Valley Stream	New York
PCN Strategies, Inc.	Tracey Gladish		Washington	DC
PCS Mobile	Mitchell Murray		Scottsdale	AZ
Peoria Typewriter (PTC Select)	David Jaegle		Peoria	IL
Phaeton Solutions	Anthony Cole	MBE, DBE, 8(a) SDB	Reston	VA
Philip M. Casciano INC dba PMC Associates	Bryan Casciano		HAZLET	NJ
Pinnacle Business Systems Inc	Jilian Doll	NA	Edmond	OK
Pinnacle Networx, LLC	Robert Farrow	Woman Owned	Wetumpka	AL
Pitt Bull Secure Technologies, Inc	Brett Summers		Johnstown	PA
PKA Technologies, Inc.	Ricky Liber	WBE	Montvale	NJ
PMC Associates	Vincent Kerney		HAZLET	NJ
PNJ Technology Partners INC	Westly Boswell		Albany	NY
Porter Burgess Company DBA Flair Data Systems	Robert Burgess		Plano	TX
Portola Systems, Inc.	Ryan Miller	SB	Santa Rosa	CA
Presentation Concepts Corporation	Samantha Haun	Small Business, Woman Owned (NYS Pending)	Syracuse	NY
Presidio Networked Solutions Group, LLC	Jackie Arnett	N/A	Fulton	Maryland
Princeton ITS	Ravi Karamsetty		Princeton Junction	NJ
Projectized Solutions LLC	Errol Sykes	HUB, DBE, SBE, MBE, AABE	San Antonio	TX
PROLOGIC ITS, LLC	MANDY RUSCH		ACWORTH	GA
Pruitt Communications, Inc. dba PCI Technologies	Tommy Pruitt		Headland	AL
PTS DATA CENTER SOLS INC	Michael Piazza	SB	Oakland	NJ
Quality and Assurance Technology Corp DBA QnA Tech	Javier Tejada	MBE	Mount Sinai	NY
Quarterhorse Technology INC	Ken Fletcher		New York	NY
Quest Media & Supplies, Inc.	Amy Comi	N/A	Roseville	CA
R&M Best Deals, LLC	Romates Moise	SBE, MBE	Riverview	FL
R2 Unified Technologies	Michael Rhyce		Boca Raton	FL
Radiant Resources, Inc.	Lois Marie Nealon		Spring Lake	New Jersey
RAMCO RUGGED PORTABLES INC, A DIV OF ABACUS TECHNOLOGIES	Jeremy Putnam		Naples	FL
Ready Networks Technologies	Sam Barhoumeh		North Palm Beach	FL
Red River Technology LLC	Phillip Wieser		Claremont	NH
Redline Networks, LP	Ivor Flannery		Carrollton	TX
Rel Comm, Inc.	Joseph Marasco	SB	Rochester	New York
Richline Technical Services, LLC	Josh Richline	SB	Corpus Christi	TX
Right Systems	Sean Padget		Lacey	WA
RO-IT, LLC	Michael Simmons	WBE, MBE	Las Vegas	NV
ROK Brothers	Jason Clemons		Millersville	MD
RTI Riverside Technologies Inc	Erica Kallweit	n/a	North Sioux City	SD
RTS Solutionz Inc	Ryan Marrs	MBE	Atlanta	GA
Safari Micro, Inc.	Michael Day		Chandler	Arizona
Saitech Inc	Sam Sharma	MBE, SB	Fremont	CA
Sanity Solutions Inc	Sheila Gentile		Denver	CO
Seamless Advanced Solutions, LLC	LeeAnn Colon	HUB & MBE Certified	Austin	TX
Sector, LLC	Ryan Surber		Urbandale	IA
Secure Data Technologies, Inc.	Derek Herbison		O'Fallon	IL
Secure Operating Solutions LLC	Alexander Omeke	Minority	Richmond	TX
Sedara, LLC	Andrew Aul		Buffalo	NY
Sehi Computer Products, Inc.	Carol Taylor		Rochester Hills	MI
Sencommunications, Inc.	Dayo Olabisi		Tampa	FL
Sentinel Technologies Inc	Joana Valentin	n/a	Downers Grove	IL

Reseller Name	Full Name	Diversity Status	City	State
Sequel Data Systems, Inc.	Jonathan Clifton		Austin	TX
Sequentex	Melissa Friskney	WOSB	Boynton Beach	FL
SimpleCom - Simple Communications Technologies	Brian Adams	NA	Harrisburg	NC
SINNOTT WOLACH TECHNOLOGY GROUP INC	Jeff Wolach		PALM BEACH GARDENS	FL
SLED IT Solutions, Inc.	Harry Singh	SB	Roseville	CA
Softchoice Corporation	David Butkiewicz		Chicago	IL
Solid IT Networks, Inc.	Patrick Johnson	Small Business	Houston	TX
Solutionz, Inc.	Michael Frank	MO	Los Angeles	CA
Solvix Solutions LLC	Anthony Rock	DBE, WOSB	MARLTON	NJ
Source Inc of Missouri dba Source Inc	Brandon Reid		Lenexa	KS
Southern Computer Warehouse, Inc.	Valerie State	SB	Marietta	GA
Southland Technology Inc	Carolina Camberos		San Diego	CA
Squadra Solutions LLC	Lisa Graner		MCLEAN	VA
SSP Data, Inc	Sandesh Mutha	MBE	Richmond	CA
Starlight Technology	Carson Giller		Ham Lake	MN
Stealth Tech Services	Brian Davis	SDVOSB	Marietta	GA
Steepmeadow Solutions LLC	Steve Sharpless		Austin	TX
STEP CG, LLC	Jim West		Covington	KY
Sterling Computers Corporation	Lynette Lambing	WOSB	North Sioux City	SD
StorCom	Trent Jones	SB	Geneva	IL
STRATEGIC ENDEAVOR LLC	Brian McCafferty	8a, SDVOSB, SDB	CENTREVILLE	VA
Strategix	Sean Brown	SB	Richmond	KY
STRONG CRYPTO INNOVATIONS LLC	Alex Fry		Luray	VA
Structured Communication Systems, Inc.	Si Nae Lim	N/A	Clackamas	OR
Swish Data	Jordyn Simoes	VOSB, SDVOSB, HUBZONE	McLean	VA
SWS GROUP INC DBA BLINK IT SOLUTIONS SWS WHOLESALE	Yadhira Marquez	SB, WO	Ontario	CA
Symbiote IT Solutions	Matthew Hinton		Clarksville	TN
SYNACKTEK LLC DBA 443 Technologies	Mike Bates		Shelton	CT
Synchronous Technologies	Nancy Sauber		FIFE	WA
SYNERGISTIC AGILITY LLC	Carl Benbow	8a	OWINGS MILLS	MD
Synergy IT Solutions of Nys, Inc	Nick DeVore	ESOP ownership	Cheektowaga	NY
SYSTEM TECH INC	Dave Lawes		Boise	ID
Tanches Global Management, Inc.	Tanaz Choudhury	HUB, CMBL, WBE, SBE, MBE, WOSB,WBENC	Houston	TX
Team 29B, Inc	Brian Snead		Pasadena	MD
TEC34, LLC	Phil Abeyta	SB, MO	Albuquerque	NM
Tech Heads, Inc	Landy Kindle		Portland	OR
TechEx Team	Ted Cullinan	Small Business	Dearborn	MI
TECHNEGON, LLC	Thomas Richards		Spokane	WA
Technology Group Solutions LLC DBA TGS	Richard Long	E - Certified Minority and Woman-owned Business E	Lenexa	KS
TechPower Solutions Inc	Maryanne Caras		Redmond	WA
Techworks Consulting	Thomas Lohr	N/A	Ronkonkoma	NY
Tec-Refresh, LLC	Efrem Gonzales		Andover	MA
Tego Data Systems	Johanna Berry		Raleigh	NC
Tekki LLC	Rich Gatchalian	SB, MO, VO, SDVO, Small Disadvantaged	San Jose	CA
Teklinks DBA Cspire	Jeremy Russell		Ridgeland	MS
Telanet INC	Marlene Galvez		NEW YORK	NY
Teracai Corp	Chris Spauling		SYRACUSE	NY
TGIPOWER LLC dba iPower Technologies	David Spano		Boca Raton	FL
The Fulcrum Group, Inc.	David Johnson	Texas HUB (Historically Underutilized Business)	Keller	TX
The Habits Group, LLC	Zach Johnson	n Owned, Minority Owned,8a, SDVOSB, DisAbility	Austin	TX
The Personal Computer Store, Inc. dba Avinext	John Crockett		College Station	TX
THE ROOT GROUP INC	Becky Nelson	SB	Boulder	CO
Thomas Consultants, Inc.	Kevin Brent	MBE	Memphis	TN
Thomas Gallaway Corporation DBA Technologent	Greg Hoffman	WBE. WBENC	Irvine	CA
Thornburg Computer Services, LLC	Brett Hansen	WBE	Olympia	WA
Tier4 Technologies	Jeremy Lacey		Texarkana	TX
TommyTQL LLC	Thomas Macak	HUBZone SB	Seattle	Washington
Toobz LLC	Biran Zhang	SWAM, SBA (8A)	ARLINGTON	VA
TouchPoint, Inc.	Lisa Harper	WOBE	Jacksonville	FL
Trace3, LLC	Jim Loznak		Irvine	CA
TRI-DELTA RESOURCES	Jeff Grant		CANANDAIGUA	NY
Tri-Tronics Pro Electronics, LLC	Tommy Nipper	VO	Lillington	NC
Troubadour Technology, INC	Jim Rindo		LOWELL	MA
TSA, Inc. / Technical & Scientific Application Inc.	Jeffrey Long	WOSB, MOSB, VOSB	Hoover	AL
TSM Consulting Services, Inc	Rick Meyers	Small Business	Rockwall	TX
Turtle & Hughes	Randy Roessle	WBE, WOSB	CLARK	NJ
United Business Technologies - UBTI	Cindy McCormack		GAITHERSBURG	MD
United Data Technologies Inc. / UDT	Legal Support	MO	Mirimar	FL
UPSTATE WHOLESALE SUPPLY INC, DBA BRITE	Linsey Cooksey		FISHERS VICTOR	NY
VALCOM SALT LAKE CITY, LC DBA VLCM	Matthew Shelley		Salt Lake City	UT
Vancord (formerly TBNG)	Michael Grande	SB	MILFORD	CT
Vandis Inc.	Max Slygh		Albertson	New York
Vector Resources Inc	Mark Allen		Torrance	CA
VeriNext corp	Murray Granger		Blue Bell	PA
Verteks Counsulting, Inc.	John Childers		Ocala	FL
Virtucom	Sean Beck	WO	Peachtree Corners	GA
Vision21 Solutions LLC	Adam Blum	WO	Raleigh	NC
Vivacity Tech PBC	Collette Morris		St. Paul	MN
VLR ENTERPRISES, INC DBA VDC TECHNOLOGIES	Vactronia Russell	SB	Jacksonville	NC
vTech Solution INC	Kartik Hirpara	8(a), SDBE, MO	Washington	DC
WARDS MEDIATECH INC	Steve Ward		Springville	UT
WB Mason	Matthew Rogers		BROCKTON	MA
Westwind Computer Products Inc	Jennifer Schreuders	SB, HUBZone, WOSB, MBE	Albuquerque	NM
White Rock Security Group, LLC.DBA White Rock Cybersecurity	Odessa Criales-Smith	n/a	Dallas	TX
Wholesale Computer Exchange	Tom Quinn		Trumbull	CT
Winslow Technology Group, LLC.	Rita Sullivan		Waltham	MA

Reseller Name	Full Name	Diversity Status	City	State
Winslow Technology Group, LLC.	Rita Sullivan		Waltham	MA
WTI Holdings LLC DBA Waterfield Technologies	Klaus Hillmann		Tulsa	OK
Xentegra LLC	Drew Hill	SB, MO	Huntersville	NC
Xiologix LLC	Sheryl Still	WBE, SB	TUALATIN	OR
XIT Inc. DBA XIT Solutions	Dipti Pradhan		Bakersfield	CA
Y & S Technologies Inc	Mordy Finck		BROOKLYN	NY
YourTeq, LLC	Brian Gorr		Plainfield	IL
Z SoftechSolutions, LLC	Leticia Alexander	WO, MO, HubZone	Atlanta	GA
Z7 Solutions	Shelley Aleksic	WO, MO, SB	Orlando	FL
Zivaro, Inc.	Jasmine Emilio	SB	Denver	CO
ZPro Solutions	Saad Faisal		NAPLES	FL
ZUNESIS INC	Tom Savage		BROOMFIELD	CO

County of Monterey

Board Report

Legistar File Number: 25-593

Item No.37

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/14/2025

Current Status: General Government - Consent

Version: 1

Matter Type: General Agenda Item

Receive the Action Minutes of the Capital Improvement Committee for the 1st and 2nd Quarters of 2025 for the meetings held on February 10 and March 10, 2025.

RECOMMENDATION:
It is recommended that the Board of Supervisors receive the Action Minutes of the Capital Improvement Committee for the 1st and 2nd Quarters of 2025 for the meetings held on February 10 and March 10, 2025.

SUMMARY/DISCUSSION:
The Capital Improvement Committee convened on February 10 and March 10, 2025. The Action Minutes from both meetings have been reviewed and approved by the Committee. For the 2025 calendar year, the Committee is comprised of Supervisor Kate Daniels and Supervisor Luis Alejo. The Capital Improvement Committee respectfully submits the approved Action Minutes to the Board of Supervisors for receipt.

OTHER AGENCY INVOLVEMENT:
This report was prepared by the County Administrative Office (CAO). County Departments submit staff reports to the Capital Improvement Committee for support. All staff reports are reviewed and approved by CAO Budget Analysts.

FINANCING:
There is no financial impact to receive this report.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Promotes an organization that practices efficient and effective resource management and is recognized for responsiveness, accountability, and transparency.

__Economic Development
_X_Administration
__Health & Human Services
__Infrastructure
__Public Safety

Prepared by: Rocio Quezada, Administrative Secretary-Confidential, ext. 6769

Approved by: Michael Beaton, Assistant County Administrative Officer, ext. 3835

Attachments: Capital Improvement Committee Action Minutes for February 10 and March 10, 2025

County of Monterey

Board Report

Legistar File Number: 25-593

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/14/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

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SUMMARY/DISCUSSION:
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OTHER AGENCY INVOLVEMENT:
This report was prepared by the County Administrative Office (CAO). County Departments submit staff reports to the Capital Improvement Committee for support. All staff reports are reviewed and approved by CAO Budget Analysts.

FINANCING:
There is no financial impact to receive this report.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
Promotes an organization that practices efficient and effective resource management and is recognized for responsiveness, accountability, and transparency.

__Economic Development
_X_Administration
__Health & Human Services
__Infrastructure
__Public Safety

Prepared by: Rocio Quezada, Administrative Secretary-Confidential, ext. 6769

Approved by: Michael Beaton, Assistant County Administrative Officer, ext. 3835

Attachments: Capital Improvement Committee Action Minutes for February 10 and March 10, 2025

County of Monterey

Monterey County Government Center
168 W. Alisal St., 2nd Fl., Monterey Room
Salinas, CA 93901

Meeting Minutes - Final

Monday, February 10, 2025

3:30 PM

Capital Improvement Committee

Attendees: Supervisor Kate Daniels, Chair; Supervisor Luis Alejo, Vice-Chair, Debbie Paolinelli, Assistant County Administrative Officer; Mary Perry, Deputy County Counsel; and Rocio Quezada, Committee Secretary.

Call to Order

The meeting was called to order at 3:32 p.m.

Additions and Corrections

There were no additions or corrections to the agenda.

Public Comment Period

There was no public comment received.

Appointment of Chair and Vice-Chair

1. Consider appointment of Chair and Vice-Chair to the Capital Improvement Committee.

The Committee appointed Supervisor Daniels as the Chair, and Supervisor Alejo as the Vice-Chair of the Capital Improvement Committee.

Approval of Action Minutes

2. Approve the Capital Improvement Committee Action Minutes of November 13, 2024.

ACTION: The Minutes for the Capital Improvement Committee meeting on November 13, 2024 were approved by consensus.

Consent Agenda

3. Receive the List of Standing and Follow-up Reports for the Capital Improvement Committee.

ACTION: The Committee received the list of standing and follow-up reports.

Quarterly Reports

4. Receive a report on the implementation of water and sewer infrastructure projects funded with American Rescue Plan Act (ARPA) funds and managed by the Department of Public Works, Facilities and Parks (PWFP).

ACTION: The Committee received a report on the implementation of water and sewer infrastructure projects.

5. Receive a status report on the Job Order Contract Program from the Public Works, Facilities and Parks Department supporting Public Works and Facilities projects for the period of July through September 2024 to capture Fiscal Year (FY) 2024-25 Quarter One.

ACTION: The Committee received a report on the JOC Program from PWFP for the period of July through September 2024.

6. It is recommended that the Capital Improvement Committee receive a quarterly report on Job Order

Contracting from Natividad Medical Center (NMC) for the period ending September 2024.

ACTION: The Committee received a report from NMC on the JOC Program for the period ending September 2024.

Adjournment

The meeting adjourned at 4:02 p.m.

County of Monterey

Monterey County Government Center
168 W. Alisal St., 2nd Fl., Monterey Room
Salinas, CA 93901

Meeting Minutes - Final

Monday, March 10, 2025

3:30 PM

Capital Improvement Committee

Attendees: Supervisor Kate Daniels, Chair; Supervisor Luis Alejo, Vice-Chair; Debbie Paolinelli, Assistant County Administrative Officer; Mary Perry, Deputy County Counsel; and Rocio Quezada, Committee Secretary.

Call to Order

The meeting was called to order at 3:32 p.m.

Additions and Corrections

There were no additions or corrections to the agenda.

Public Comment Period

There was no public comment received.

Approval of Action Minutes

1. Approve the Capital Improvement Committee Action Minutes of February 10, 2025.

ACTION: The Minutes for the Capital Improvement Committee meeting on February 10, 2025 were approved by consensus.

Consent Agenda

2. Receive the List of Standing and Follow-up Reports for the Capital Improvement Committee.

ACTION: The Committee received the list of standing and follow-up reports.

Regular Agenda

3. a. Receive and support the request from the Monterey County Sheriff's Office for the early release of monies awarded to the Sheriff's Office through the CalAIM JI Grant Round 3 to fund the installation of our Re-entry Resource Center modular building, for Pre-Release Services and outreach programs at the Monterey County Jail; and

ACTION: The Committee supported Item No. 3 by consensus.

Semi-Annual Reports

4. It is recommended that the Capital Improvement Committee receive a report on Natividad Medical Center's key capital projects from July 1, 2024, through December 30, 2024.

ACTION: The Committee received a report on NMC's key capital projects for the period July 1, 2024 through December 30, 2024.

Annual Reports

5. a. Receive the Draft County of Monterey Capital Improvement Program Five-Year Plan (CIP) for Fiscal Years (FYs) 2025/26 through 2029/30;
b. Provide recommendations on unfunded capital projects to prioritize for funding in the FY 2025/26 CIP work plan.

ACTION: The Committee received the Draft CIP Five-Year Plan for FYs 2025/26 through 2029/30, and provided their recommendations on unfunded projects. Staff recommended this item be presented to the Budget Committee.

Public comment provided by: Hillary Theyer, Gregory Glazzard, Brian Flores and Keith Boyd

Adjournment

The meeting adjourned at 4:51 p.m.

County of Monterey

Item No.38

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

Legistar File Number: MIN 25-057

August 26, 2025

Introduced: 8/19/2025

Current Status: General Government - Consent

Version: 1

Matter Type: Minutes

Approve the County of Monterey Board of Supervisors Draft Action Meeting Minutes for the following meeting date: Tuesday. January 14, 2025, and Tuesday, August 19, 2025.

County of Monterey

Board Report

Legistar File Number: MIN 25-057

Item No.36

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/19/2025
Version: 1

Current Status: Agenda Ready
Matter Type: Minutes

Approve the County of Monterey Board of Supervisors Draft Action Meeting Minutes for the following meeting date: Tuesday. January 14, 2025, and Tuesday, August 19, 2025.

County of Monterey

Government Center - Board Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Meeting Minutes - Draft

Tuesday, January 14, 2025

9:00 AM

Board of Supervisors

Chair Supervisor Chris Lopez - District 3
Vice Chair Supervisor Wendy Root Askew - District 4
Supervisor Kate Daniels- District 5
Supervisor Luis A. Alejo - District 1
Supervisor Glenn Church - District 2

9:00 A.M. - Called to Order

The meeting was called to order by Chair Supervisor Chris Lopez.

Roll Called

Present: 5 - Supervisor Kate Daniels, Supervisor Glenn Church, Supervisor Chris Lopez, Supervisor Luis A. Alejo and Supervisor Wendy Root Askew

Supervisor Luis A. Alejo will join shortly.

Staff Present

Sonia De La Rosa, County Administrative, Susan Blitch, County Counsel and Iracema Lopez, Management Analyst were present.

Additions and Corrections for Closed Session by County Counsel

There were no additions and corrections for closed session.

Closed Session

1. Closed Session under Government Code section 54950, relating to the following items:

a. Pursuant to Government Code section 54957.6, the Board will provide direction to negotiators:
(1) Designated representatives: Andreas Pyper, Kim Moore and Ariana Hurtado
Employee Organization(s): All Units

b. Pursuant to Government Code section 54956.9(d)(1), the Board will confer with legal counsel regarding existing litigation:
(1) Alice Valdez (Worker's Compensation Appeals Board No. ADJ9309528)
(2) Alice Valdez (Worker's Compensation Appeals Board No. ADJ16272926)
(3) Monterey County Vacation Rental Alliance v. County of Monterey, et al. (Monterey County Superior Court Case No. 24CV004922)

c. Pursuant to Government Code section 54957(b)(1), the Board will provide a performance evaluation for the County Administrative Officer.

Public Comments for Closed Session

Open for public comments; no comments made.

The Board Recessed for Closed Session Agenda Items

10:30 A.M. - Reconvened on Public Agenda Items

Roll Called

Present: 5 - Supervisor Kate Daniels, Supervisor Glenn Church, Supervisor Chris Lopez, Supervisor Luis A. Alejo and Supervisor Wendy Root Askew

Staff Present

Sonia De La Rosa, County Administrative, Susan Blitch, County Counsel and Iracema Lopez, Management Analyst were present.

Announcement of Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Pledge of Allegiance

The pledge of allegiance was led by Supervisor Luis A. Alejo.

Additions and Corrections by Clerk

Due to the need for immediate consideration by the Board of matters which arose after the posting of today's agenda, as provided in Section 54954.2 of the California Government Code the Board is asked to make the following addition and correction:

Addition to Item 22 - Health - Consent

Received an additional document on this item of Exhibit A3

Revision to Item 24 - Health - Consent

Revised Board Report received

Revision to Item 25 - Health - Consent

Revised Board Report received

Ceremonial Resolutions

Open for public comments; no comments made.

Supervisor Glenn Church made comments on Item No. 3.

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Glenn Church to adopt Ceremonial Resolutions Numbers 2 and 3.

ALL AYES

2. Adopt a resolution honoring Natividad Medical Center's Level II Trauma Center on its 10th anniversary of providing lifesaving care for the people of Monterey County. (Supervisor Lopez)

Adopted Resolution No. 25-001

3. Adopt a resolution honoring the life of Ruth Andresen. (Supervisor Askew)

Adopted Resolution No. 25-002

Appointments

Open for public comments; Eloise Shim commented.

A motion was made by Supervisor Glenn Church, seconded by Supervisor Luis A. Alejo to appoint/reappoint Item Numbers 4 through 6.

ALL AYES

4. Reappoint Crystal Libby to the Equal Opportunity and Civil Rights Advisory Commission representing Gay, Lesbian, Bi-Sexual & Transgender Community with a term expiration date on December 31, 2027. (Nominated by Salinas Valley Pride)

Reappointed

5. Reappoint Belinda Taluban to the Historic Resources Review Board representing District 2 as a District 2 with a term end date of December 31, 2027 (District Specific, District 2 - Supervisor Church)

Reappointed

6. Appoint Gilbert Ramos to the Housing Advisory Committee representing District 1 as a Primary Representative filling an unexpired term with a term end date of August 22, 2025 (District Specific, District 1 - Supervisor Alejo.)

Appointed

6.1 Appoint Jon Conatser to the Water Resources Agency Board Of Directors representing District 3 with a term end date of December 31, 2028 (District Specific - District 3, Supervisor Lopez) (ADDED VIA ADDENDA)

Removed from agenda via additions and corrections

Approval of Consent Calendar – (See Supplemental Sheet)

7. See Supplemental Sheet

Open for public comments; no comments made.

A motion was made by Supervisor Luis A. Alejo seconded by Supervisor Wendy Root Askew to approve Consent Calendar Item Numbers 15 through 31.

ALL AYES

General Public Comments

8. General Public Comments

Open for general public comments for items not on the agenda today; Meredith Crowl Pap, Dave Flay, phone number ending in 705, Bryan Rosen commented.

Scheduled Matters

9. Adopt a Resolution to:
a. Reestablish the County of Monterey as a **Welcoming County for Immigrants and Refugees**, **and Declaring the County a Place of Trust and Safety for Immigrants**; and,
b. Authorize and direct the Auditor-Controller to amend the Fiscal Year 2024-25 Adopted Budget by increasing appropriations by $25,000 to fund the placement of public service announcements in County Administrative Office- Communications (001-1050-CAO004-8597) financed by a decrease in appropriations in Contingencies, General Fund 001, Appropriation Unit CAO020 (4/5th vote)

Sonia De La Rosa, County Administrative Officer verbally presented along with Supervisor Luis A, Alejo.

Open for public comments; Eloise Shim, Bryan Rosen, Ms. Aguilar, phone number ending in 705, James Martinez, George Villa, phone, Diana Jimenez and Joe Cabbage commented.

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Chris Lopez to:
a. Reestablish the County of Monterey as a Welcoming County for Immigrants and Refugees, and Declaring the County a Place of Trust and Safety for Immigrants; and,
b. Authorize and direct the Auditor-Controller to amend the Fiscal Year 2024-25 Adopted Budget by increasing appropriations by $25,000 to fund the placement of public service announcements in the County Administrative Office- Communications (001-1050-CAO004-8597) financed by a decrease in appropriations in Contingencies, General Fund 001, Appropriation Unit CAO020.

ALL AYES

10. Receive notice of adjustment of the annual salary of the members of the Board of Supervisors, in accordance with Section 2.04.370C of the County of Monterey Code consistent with the superior court judge salary adjustment of 0.3226%, effective July 1, 2024, with implementation of the salary adjustments on January 25, 2025.

Andreas Pyper, Director of Human Resources verbally presented.

Open for public comments; no comments made.

Upon the consensus the Board:
Received notice of adjustment of the annual salary of the members of the Board, in accordance with Section 2.04.370C of the County of Monterey Code (Code) consistent with the superior court judge salary adjustment of 0.3226%, effective July 1, 2024, with implementation of the salary adjustments on January 25, 2025.

12:00 P.M. - Recessed to Lunch back into Closed Session

1:30 P.M. - Reconvened

Roll Called

Present: 5 - Supervisor Kate Daniels, Supervisor Glenn Church, Supervisor Chris Lopez, Supervisor Luis A. Alejo and Supervisor Wendy Root Askew

Staff Present

Sonia De La Rosa, County Administrative, Susan Blitch, County Counsel and Iracema Lopez, Management Analyst were present.

Announcement of Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Scheduled Matters

11. Consider proposed Board of Supervisors' appointments to various Standing Committees, Non-County Entities, and Ad Hoc Committees for calendar year 2025.

Nick Chiulos, Chief Assistant County Administrative Officer presented based of the rotational charts.

Open for public comments; Eloise Shim and Joe Cabbage commented.

The Board
a. Ratified the standing committee rotational schedule;

b. Standing Committees & Non-County entities:

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Kate Daniels to: Approve the proposed Board of Supervisors' appointments to various Standing Committees, Non-County Entities with an amendment to combine the Homelessness Committee with the Health, Housing and Human Services Committee with District 1 and District 4 being primaries and Local Agency Formation Commission adding District 5 as one of the primaries; District 3 being alternate.

ALL AYES

c. Add Hoc Committees:

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Kate Daniels to: Approve the proposed Ad Hoc Committees; with adding District 2 and District 3 as primaries to the AA Measure Oversight Ad Hoc Committee.

ALL AYES

d. Groundwater Sustainability Agency Working Group (County/SVBGSA):

A motion was made by Supervisor Chris Lopez, seconded by Supervisor Glenn Church to: Approved to add District 4 and County Administrative Officer or designee to the Groundwater

Sustainability Agency Working Group (County/SVBGSA).

ALL AYES

Other Board Matters

Referral Matrix and New Referrals

12. Referral Matrix and New Referrals

There were no new referrals for this week's agenda.

County Administrative Officer Comments

13. County Administrative Officer Comments

Sonia De La Rosa, County Administrative Officer's comments can be heard by clicking the following link:

https://monterey.granicus.com/player/clip/5670?meta_id=894595

Board Comments

14. Board Comments

Board comments can be heard by clicking the following link:

https://monterey.granicus.com/player/clip/5670?meta_id=894598

Read Out from Closed Session by County Counsel

There was no reportable action for Closed Session.

Adjourned

The meeting was adjourned at 2:37 p.m. by Chair Supervisor Chris Lopez

APPROVED:

____/s/ Chris Lopez_____
CHRIS LOPEZ, CHAIR

ATTEST:
BY: ____/s/ Valerie Ralph_____
VALERIE RALPH
CLERK OF THE BOARD
APPROVED ON: 2025

Supplemental Sheet, Consent Calendar

Health Department

15. Approve and authorize the Director of Health Services or designee to execute Amendment No. 1 to Standard Agreement A-15814 with Jackson & Coker LocumTenens, LLC to increase the total agreement amount by $2,500,000 for psychiatry services, with no change to the term, for a revised total Agreement amount not to exceed $7,500,000.

Approved

16. a. Approve and authorize the Director of Health Services or designee to execute Amendment No. 2 with Monterey Peninsula Unified School District for the provision of adding Local Oral Health Program Presentations at Del Rey Elementary, Martin Luther King Elementary, Ord Terrace Elementary, and Marina Vista Elementary to existing CalFresh Healthy Living Program Memorandum Of Understanding, for a revised term of October 1, 2019 through September 30, 2027; and
b. Approve and authorize the Director of Health Services or designee to sign up to one amendment where the amended contract does not significantly change the scope.

Approved

17. a. Accept a Grant Award of up to $2,500,000 from Santa Cruz-Monterey-Merced-San Benito-Mariposa Managed Medical Care Commission, operating as Central California Alliance for Health (CCAH) in support of the "Monterey County Clinic at Marina" (New Construction) project; and
b. Ratify execution by the Director of Health Services of a Medi-Cal Capacity Grant Agreement (Grant Agreement), Grant number 0724-MCHD-CS-Capital between Central California Alliance for Health (CCAH) and the County of Monterey, on behalf of the Health Department, Clinic Services Bureau ("County"), in the amount up to $2,500,000 for the "Monterey County Clinic at Marina" (New Construction) project, with a Grant Term of 39 months effective on the date of the last signature of the Agreement.

Approved

18. a. Approve and authorize the Director of Health Services or designee to execute a non-standard Agreement with Hartnell College to provide students with supervised field experience, thus fulfilling the school's internship requirements, effective upon execution to November 30, 2029 with no exchange of funds; and
b. Approve non-standard indemnification provisions as recommended by the Director of Health Services; and
c. Approve and authorize the Director of Health Services or designee to sign up to three future amendments that do not significantly change the scope.

Approved

19. a. Approve Amendment No. 13 to the Agreement between the County of Monterey and American Medical Response West for the provision of Advanced Life and Basic Life Support Ambulance Services for the County of Monterey (Agreement No. A-110610) to extend the Agreement term to January 31, 2026, implement a 4.4% rate increase, and remove the current Exhibit B (Monterey County Rate Tables) and replace it with a new Exhibit B (Monterey County Rate Tables); and
b. Authorize the Director of Health Services or designee to execute Amendment No. 13 to the Agreement between the County of Monterey and American Medical Response West for the provision of Advanced Life and Basic Life Support Ambulance Services for the County of Monterey.

Approved

20. a. Ratify the execution by the Director of Health Services on December 11, 2024 of the Memorandum of Understanding with Oregon Community Health Information Network, Inc. (OCHIN) for participation in the Community Health Workers SYStematically Assessing and Addressing Social Determinants of Health To IMprove Outcomes in Community-based Health Centers (CHW-SYSTIM) study to measure CHW-led interventions in treating uncontrolled chronic conditions, for a term effective upon execution to June 30, 2026; and
b. Accept a clinic impact fee of either $12,000 dependent on whether County of Monterey is selected as a Control group, or $58,175 if selected as an Intervention Group, for County of Monterey's participation in the study; and
c. Authorize the Director of Health Services or designee to act as the agent for the County in processing all documentation in coordination of this project; and
d. Authorize the Director of Health Services or designee to sign up to three (3) future amendments to this Memorandum where the amendments do not significantly change the scope of work.

Approved

21. a. Approve and authorize the Director of Health Services or designee to execute a Standard Agreement with The Santa Cruz Lesbian and Gay Community Center dba "The Diversity Center" to provide training, consultation, curriculum development, event production, and community outreach services to aid in the fulfillment of the approved "Rainbow Connections" MHSA Innovation Plan in the amount of $259,387 for FY 2024-25 and $481,743 for FY 2025-26 for a total Agreement amount not to exceed $741,130 for a retroactive term beginning January 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments to the agreement that do not exceed 10% ($74,113) of the original agreement amount, do not significantly change the scope of services, and do not increase the total not to exceed amount over $815,243.

Approved

22. a. Approve and authorize the Director of Health Services or designee to execute an Amendment No.3 for the purchase of a four-year service agreement extension for the existing GeneXpert 4x4 Public Health Laboratory equipment, for a total Agreement amount not to exceed $225,409; and
b. Approve a non-standard Agreement as recommended by the Director of Health Services.

Approved

23. a. Approve and authorize the Director of Health Services or designee to execute a Memorandum of Understanding (MOU) with Bradley Union School District for reimbursement to the County for the provision of mental health services, for a total maximum amount not to exceed $10,927 for the term retroactive to January 1, 2025 through June 30, 2025; and
b. Approve non-standard insurance and indemnification provisions in the MOU as recommended by the Director of Health Services; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments to the MOU where the combined amendments do not exceed 10% ($1,092) of the original MOU amount, do not significantly change the scope of services, and do not increase the total not to exceed amount over $12,019.

Approved

24. a. Approve and authorize the Director of Health Services or designee to execute a non-standard Professional Agreement with Joseph Herbert, M.D., to provide professional pediatric services to medically fragile children with physician malpractice coverage provided by the County retroactively from May 11, 2011 to June 30, 2028; and
b. Approve a non-standard Agreement as recommended by the Director of Health Services or designee; and
c. Approve and authorize the Director of Health Services or designee to sign up to three future amendments that do not significantly change the scope.

Approved

25. a. Approve and authorize the Director of Health Services or designee to execute a non-standard Professional Agreement with Dave Godley, M.D., to provide pediatric orthopedic physician services to medically fragile children with physician malpractice coverage provided by the County retroactively from March 1, 2018 to June 30, 2028; and
b. Approve a non-standard Agreement as recommended by the Director of Health Services or designee; and
c. Approve and authorize the Director of Health Services or designee to sign up to three future amendments that do not significantly change the scope.

Approved

Department of Social Services

26. a. Approve and authorize the Director or designee of the Department of Social Services to sign a non-standard agreement with Binti, Inc. for the provision of licenses and support for Resource Family Approval software for the period of February 1, 2025 to January 31, 2027, in the amount of $56,936; and
b. Authorize the Director or designee of the Department of Social Services to sign up to three

amendments to this Agreement where the total amendments do not exceed 10% ($5,694) of the amended contract amount, do not significantly change the scope of work, and do not exceed the maximum aggregate amount of $62,630.

Approved

Criminal Justice

27. a. Authorize the Contracts Purchasing Officer or their designee to execute Amendment #2 with Aramark Services Inc., dba Aramark Correctional Services, to provide food operations and commissary services for incarcerated persons within the Monterey County Jail, replacing Exhibit A Scope of Services with Exhibit A-1, with no changes to the contract not to exceed amount of $10,000,000 or term date ending on June 30, 2028; and
b. Authorize the Contracts Purchasing Officer or their designee to execute amendments as necessary to implement items in Aramark's response to RFP#10788, where amendments do not significantly change the scope of work.

Approved

General Government

28. Approve the Bingo Permit Application for San Antonio Community Betterment Association pursuant to Chapter 7.08 of the Monterey County Code effective January 14, 2025, through January 13, 2026.

Approved

29. Approve the County of Monterey Board of Supervisors Draft Action Meeting Minutes for the following meeting date: Tuesday, January 7, 2025.

Approved

Housing and Community Development

30. a. Approve and authorize a Memorandum of Understanding (MOU), between the County of Monterey, the Monterey Peninsula Water Management District, the California Department of Parks and Recreation, the Monterey Peninsula Regional Park District, and Big Sur Land Trust for the long-term maintenance and management of the Carmel River Floodplain Restoration and Environmental Enhancement (CRFREE) Project (REF 140048); and
b. Approve and authorize the Director of Housing and Community Development to sign the proposed MOU.

Approved

Public Works, Facilities and Parks

31. Adopt a Resolution to:

a. Authorize use of General Fund Strategic Reserve to provide advance funding to the Public Works, Facilities and Parks Department's (PWFP) Road Fund to complete the Fiscal Year (FY) 2022-23 January/March and FY 2023-24 February Winter Storm Repair Projects to be repaid with reimbursements from the Federal Emergency Management Agency (FEMA) and other federal and state agencies, and add to the Annual Work Program for Road Fund;
b. Authorize the County Administrative Office and Auditor-Controller to make fund balance designations and fund balance changes, respectively in FY 2024-25:
1. Transfer $9,211,629 from the Strategic Reserve (BSA 001-3111) to the Disaster Assistance Assignment (BSA 001-3126) (4/5ths vote required);
c. Authorize and direct the Auditor-Controller to amend the FY 2024-25 Adopted Budget and transfer funds as follows:
1. Increase appropriations by $9,211,629 in the County Administrative Office (CAO) General Fund 001, Other Financing Uses Appropriation Unit CAO017 financed by a release of $9,211,629 in Disaster Assistance Assignment (BSA 001-3126) (4/5ths vote required);
2. Increase appropriations by $9,211,629 in the Road Fund 002, Appropriation Unit PFP004, financed by a $9,211,629 operating transfer from General Fund 001, Other Financing Uses Appropriation Unit CAO017 (4/5ths vote required);
3. Transfer $9,211,629 from General Fund 001, Other Financing Uses Appropriation Unit CAO017 to Road Fund 002, Appropriation Unit PFP004 (4/5ths vote required);
4. Increase revenue and appropriations in the Road Fund 002, Appropriation Unit PFP004 for any FEMA revenues received in FY 2024-25, where General Fund Strategic Reserve funds were advanced (4/5ths vote required); and
5. Transfer FEMA revenues where General Fund Strategic Reserve funds were advanced to County Administrative Office (CAO) General Fund 001, Other Financing Uses Appropriation Unit CAO017 for reimbursement to the General Fund Strategic Reserve (BSA 001-3111) (4/5ths vote required).

Adopted

Please refer to the Board Orders for the approved and adopted Agreement, Resolution and Ordinance numbers.

Addenda/Supplemental

32. Addenda/Supplemental

Added Item No. 6.1 under Appointments

County of Monterey

Government Center - Board Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Meeting Minutes - Draft

Tuesday, August 19, 2025

9:00 AM

Board of Supervisors

Chair Supervisor Chris Lopez - District 3
Vice Chair Supervisor Wendy Root Askew - District 4
Supervisor Kate Daniels- District 5
Supervisor Luis A. Alejo - District 1
Supervisor Glenn Church - District 2

9:00 A.M. - Called to Order

The meeting was called to order by Chair Supervisor Chris Lopez.

Roll Called

Present: 5 - Supervisor Kate Daniels, Supervisor Luis A. Alejo, Supervisor Wendy Root Askew, Supervisor Chris Lopez and Supervisor Glenn Church were present

Staff Present

Sonia De La Rosa, County Administrative Officer, Kelly Donlon, Assistant Chief County Counsel and Valerie Ralph, Clerk of the Board were present.

Additions and Corrections for Closed Session by County Counsel

There were no additions and corrections for closed session.

Closed Session

1. Closed Session under Government Code section 54950, relating to the following items:

a. Pursuant to Government Code section 54956.9(d)(2), the Board will confer with legal counsel regarding four matters of significant exposure to litigation.

b. Pursuant to Government Code section 54956.9(d)(1), the Board will confer with legal counsel regarding existing litigation:
(1) Mary Adams (Worker's Compensation Appeals Board No. ADJ14951193)

c. Pursuant to Government Code section 54957(b)(1), the Board will confer regarding recruitment/appointment for the position of Public Defender.

Public Comments for Closed Session

Open for public comments; Christian Schneider commented.

The Board Recessed for Closed Session Agenda Items

10:30 A.M. - Reconvened on Public Agenda Items

Roll Called

Present: 5 - Supervisor Kate Daniels, Supervisor Luis A. Alejo, Supervisor Wendy Root Askew, Supervisor Chris Lopez and Supervisor Glenn Church were present

Staff Present

Sonia De La Rosa, County Administrative Officer, Kelly Donlon, Assistant Chief County Counsel and Valerie Ralph, Clerk of the Board were present.

Announcement of Interpreter

Diego Celis, Spanish Interpreter present and announced Spanish interpreter services.

Pledge of Allegiance

The pledge of allegiance was led by Supervisor Glenn Church.

Additions and Corrections by Clerk

There were no additions and corrections to today's agenda.

Ceremonial Resolutions

Open for public comments; no comments made.

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Wendy Root Askew to approve Item Number 2.

ALL AYES

2. Adopt Resolution Honoring North Salinas High School Track and Field Athlete Clara Adams for Winning Two Junior National Championships, Breaking Local Records and Serving as an Inspiration to Young Athletes, and Declaring Every August 19 as "Clara Adams Day" in Monterey County. (Supervisor Alejo)

Adopted Resolution No. 25-302

Appointments

Open for public comments; no comments made.

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Glenn Church to appoint/reappoint/correct Item Numbers 3 through 9.

ALL AYES (4-0)
Supervisor Alejo not present when vote taken

3. Correct the term expiration for Larry Santos to the South Monterey County Fire Protection District from December 1, 2025 to December 1, 2028. (Nominated by South Monterey County Fire Protection District)

Corrected

4. Reappoint Kelly Stracke to the Parks Commission as a District 4 Representative with a term end date of January 31, 2029. (District Specific - District 4, Supervisor Askew)

Reappointed

5. Appoint David Prina to the Parks Commission representing District 2 to fill an unexpired term with a term end date of September 17, 2028. (District Specific - District 2, Supervisor Church)

Appointed

6. Reappoint Germaine Esquivel to the Community Action Commission representing District 4 with a term expiration date on June 30, 2028. (District Specific - District 4, Supervisor Askew)

Reappointed

7. Appoint Jose Sanchez Barajas to Commission on Disabilities representing the Monterey-Salinas Transit District with a term expiration date on December 31, 2027. (Nominated by Monterey-Salinas Transit District)

Appointed

8. Reappoint Connie Pineda to the Community Action Commission representing District 1 as a Private Sector Representative with a term end date of July 1, 2028 (District Specific - District 1, Supervisor Alejo)

Reappointed

9. Correct the term expiration for Ron Bernard to the South Monterey County Fire Protection District from December 1, 2025 to December 1, 2028. (Nominated by South Monterey County Fire Protection District)

Corrected

Approval of Consent Calendar – (See Supplemental Sheet)

10. See Supplemental Sheet

Open for public comments; Keith Gray, Alex Rousch, Alan Fisher, Jim (last name inaudible), Jeannine Hashi, Lynn Riddle and Louise Irwindale commented on Item No. 29.

Supervisor Glenn Church commented on Item No. 29.

A motion was made by Supervisor Kate Daniels seconded by Supervisor Wendy Root Askew to approve Consent Calendar Item Numbers 17 through 30 excluding Item No 29.

ALL AYES (4-0)
Supervisor Alejo not present when vote taken

A motion was made by Supervisor Glenn Church seconded by Supervisor Wendy Root Askew to continue Consent Calendar Item Number Item No. 29 to a date to be determined.

ALL AYES (4-0)
Supervisor Alejo not present when vote taken

General Public Comments

11. General Public Comments

Open for general public comments for items not on the agenda today; no comments made.

Scheduled Matters

12. PLN210158 - PEDRAZZI

Public hearing to consider adoption of a Resolution:
a. Adopting a Mitigated Negative Declaration (State Clearinghouse No. 2025040702) pursuant to California Code of Regulations (CCR) Section 15074 of the California Environmental Quality Act (CEQA) Guidelines;
b. Approving a Standard Subdivision Tentative Map to allow division of a 378.19-acre parcel and 38.54-acre parcel under a Williamson Act Agricultural Preserve Land Conservation Contract No. 73-12, and a 5.76-acre parcel not under a Williamson Act Contract into six parcels ranging in size from Parcel A consisting of 11.08 acres, Parcel B consisting of 42.52 acres, Parcel C consisting of 69.30 acres, Parcel D consisting of 88.27 acres, consisting of Parcel E of 40.04 acres and Remainder Parcel F consisting of 174.49 acres, respectively;
c. Adopting a Condition Compliance and Mitigation Monitoring and Reporting Plan;
d. Authorizing the Chair of the Board to execute a new or amended Agricultural Preserve Land Conservation Contract amending Land Conservation Contract No. 73-12 (established pursuant to Board of Supervisors Resolution No. 73-34-12) to reflect the newly reconfigured Williamson Act Parcels A through F, and simultaneously execute a new or amended Agricultural Preserve Land Conservation Contract, reflecting the new legal description and current ownership interests and to incorporate any legislative changes to State Williamson Act provisions and current County Agricultural Preserve Policies or Procedures; and
e. Directing the Clerk of the Board to record the new or amended Land Conservation Contract subject to the submittal of corresponding recording fees by the property owners of record.
(Agricultural Subdivision - PLN210158/1990 Agnes Pedrazzi Revocable Trust u/d/t dated April 6, 1990, and 1993 Pedrazzi Revocable Trust u/d/t dated December 3, 1993, 800 and 808 River Road, Salinas, (Assessor's Parcel Numbers: 167-031-003-000, 416-461-037-000, and 416-441-015-000), Toro Area Plan, Agricultural Winery Corridor Plan)

Public hearing held.

Jacqueline Nickerson, Principle Planner from Housing and Community Development presented via PowerPoint presentation.

Open for public comments; Michael Kling commented on behalf of the applicant.

A motion was made by Supervisor Kate Daniels, seconded by Supervisor Luis A. Alejo to Adopt a Resolution to:
a) Adopt a Mitigated Negative Declaration (State Clearinghouse No. 2025040702) pursuant to California Code of Regulations (CCR) Section 15074 of the California Environmental Quality Act (CEQA) Guidelines;
b) Approve a Standard Subdivision Tentative Map to allow division of a 378.19-acre parcel and 38.54-acre parcel under Williamson Act Agricultural Preserve Land Conservation Contract No. 73-12, and a 5.76-acre parcel not under contract into six parcels ranging in size from Parcel A

consisting of 11.08 acres, Parcel B consisting of 42.52 acres, Parcel C consisting of 69.30 acres, Parcel D consisting of 88.27 acres, Parcel E consisting of 40.04 acres and Remainder Parcel F consisting of 174.49 acres, respectively;
c) Adopt a Condition Compliance and Mitigation Monitoring and Reporting Plan;
d) Authorize the Chair of the Board to execute a new or amended Agricultural Preserve Land Conservation Contract amending Land Conservation Contract No. 73-12 (established pursuant to Board of Supervisors Resolution No. 73-34-12) to reflect the newly reconfigured Williamson Act Parcels A through F, and simultaneously execute a new or amended Agricultural Preserve Land Conservation Contract, reflecting the new legal description and current ownership interests and to incorporate any legislative changes to State Williamson Act provisions and current County Agricultural Preserve Policies or Procedures; and
e) Direct the Clerk of the Board to record the new or amended Land Conservation Contract subject to the submittal of corresponding recording fees by the property owners of record.

ALL AYES

13. a. Receive a presentation from Department of Emergency Management and partners, concerning the MOSS 300 site clean-up at the Moss Landing Battery Energy Storage System facility; and
b. Provide direction to staff as appropriate

Kelsey Scanlon, Director of Emergency Services verbally presented.

Open for public comments;Michele Clary and Ed Mitchell commented.

Upon consensus the Board:
a. Received a presentation from Department of Emergency Management and partners, concerning the MOSS 300 site clean-up at the Moss Landing Battery Energy Storage System facility; and
b. Provided direction to staff as appropriate

Other Board Matters

Referral Matrix and New Referrals

14. Referral Matrix and New Referrals

Sonia De La Rosa, County Administrative Officer shared there was one new referral this week:

Date: 08/12/25 Submitted By: Supervisor Lopez District #: 3
Referral Title: Anza National Historic Trail Auto Tour Signs
Referral Purpose: Partner with the National Park Service to facilitate the replacement of 14 official national historic trail Auto Tour signs on roads along the Juan Bautista de Anza National Historic Trail

County Administrative Officer Comments

15. County Administrative Officer Comments

Sonia De La Rosa, County Administrative Officer's comments can be heard by clicking this link:

https://monterey.granicus.com/player/clip/5830?meta_id=923284

Board Comments

16. Board Comments

Board comments can be heard by clicking the following link:

https://monterey.granicus.com/player/clip/5830?meta_id=923284

Read Out from Closed Session by County Counsel

There was no reportable action for Closed Session.

Adjourn from Closed Session

The meeting will be adjourned from Closed Session.

APPROVED:

____/s/ Chris Lopez_____
CHRIS LOPEZ, CHAIR

ATTEST:
BY: ____/s/ Valerie Ralph_____
VALERIE RALPH
CLERK OF THE BOARD
APPROVED ON: , 2025

Supplemental Sheet, Consent Calendar

Natividad Medical Center

17. Adopt Resolution to:
a. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 Appendices A and B to abolish the classification of: Medical Librarian as indicated in Attachment A effective August 9, 2025; and
b. Direct the Human Resources Department to implement the changes in the Advantage Human Resources Management (HRM) System.

Adopted

Health Department

18. a. Approve and authorize the Director of Health Services or designee to execute a Mental Health Services Agreement between the County of Monterey and Altos Health Partners (AHP) for the provision of Electroconvulsive therapy (ECT) treatment for a total Agreement amount not to exceed $85,200 for FY's 2025-27 for the term of September 1, 2025 through June 30, 2027; and
b. Approve non-standard insurance as recommended by the Director of Health Services; and
c. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($8,520) of the original Agreement amount, do not significantly alter the scope of services, and do not increase the total not to exceed amount over $93,720.

Approved

19. a. Approve and authorize the Director of Health Services or designee to execute a retroactive Mental Health Services Agreement between the County of Monterey and A&A Health Services, LLC for the provision of mental health services to Monterey County adult residents with severe psychiatric disabilities in a Board and Care facility, for a maximum County obligation of $625,923 for the retroactive term of July 1, 2025 through June 30, 2026; and
b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($62,592) of the original Agreement, do not significantly change the scope of services, and do not increase the total not to exceed maximum amount over $688,515.

Approved

20. a. Approve and authorize the Director of Health Services or designee to execute Amendment No. 1 to the Mental Health Services Agreement A-17250 with Promesa Behavioral Health for the provision of Short-term Residential Therapeutic Program (STRTP) treatment services including Case Management, Mental Health Services, Medication Support, and Crisis Intervention for children/youth, extending the term one fiscal year for a new term of September 3, 2024 to June 30, 2027 adding funds totaling $281,736 which represents an increase of $34,224 for FY 2024-2025, $112,708 for FY 2025-2026 and $134,804 for FY 2026-2027 for a revised total Agreement amount not to exceed $318,162; and

b. Approve and authorize the Director of Health Services or designee to execute up to three (3) future amendments that do not exceed 10% ($31,816) of the original Agreement amount, with a total not to exceed amount of $349,978 and that do not substantially change the scope of services.

Approved

21. Approve and authorize the Director of Health Services or designee to execute Renewal and Amendment No. 1 to the Mental Health Services Agreement with FasPsych, LLC., to add funding to support administrative services and extend the term of the agreement to June 30, 2026 for a revised total Agreement amount from $72,000 to $112,350 which represents, an increase of $930 for FY 2024-2025 and $39,420 for FY 2025-2026.

Approved

General Government

22. Approve and authorize the Library Director or their designee to execute an agreement with Branch's Janitorial Service, Inc. with a retroactive term of July 1, 2025, to June 30, 2026, to provide Janitorial Services for the Carmel Valley Library in a not-to-exceed amount of $11,700

Approved

23. Approve and authorize the Library Director or their designee to execute an agreement with UV Landscaping LLC, with a retroactive term of July 1, 2025, through June 30, 2026, to provide landscaping services and weed abatement at the San Lucas Library in a not-to-exceed amount of $5,160

Approved

24. a. Authorize the Chief Information Officer to execute Amendment No. 1 to the Standard Agreement with ConvergeOne, Incorporated for infrastructure services on an as-needed basis, increasing the agreement amount by $152,000 for a revised agreement total of $250,000 and extending the term through September 16, 2028; and
b. Authorize the Chief Information Officer, or his designee, to execute associated order forms and such documents as are necessary for services with ConvergeOne, Incorporated; and
c. Authorize the Chief Information Officer the option to extend the agreement up to three (3) additional one (1) year periods though September 16, 2031 provided that the total additional costs do not exceed 10% of the prior year's cost, with a maximum total increase of $184,480 for a total agreement not to exceed amount of $434,480 and so long as the Order Forms do not significantly alter the terms of the Standard Agreement, even if no additional Agreements are entered into, subject to County Counsel review.

Approved

25. Approve authorizing the Auditor-Controller and Treasurer-Tax Collector to refund taxes without requiring constituents to file a claim for refund, when specified conditions are met as allowed under the

Revenue and Taxation Code Section 5105.

Approved

26. a. Adopt an ordinance amending Sections 2.04.370, 2.04.380, 2.04.400 and 2.04.410 of the Monterey County Code to align the Board of Supervisors benefits, leaves and special pays with those provided to the Elected Officials in Executive Management Unit Y;
b. Adopt a Resolution to:
i. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 to amend Sections A.9.19 Longevity Pay, A.10.3 Expense Allowance; A.19.8 Vehicle Allowance for Elected Department Heads, Unit Y, A.23 Professional Organization Membership and Employee Job Enhancement, A.24.8 Floating Holiday, Section A.25.6 Vacation Pay Off, A.36 Elected Officials (Unit Y) In-lieu Service Credit, A.52 Units Y and ZX 401(a) Contribution, and add Section A 30.17 Annual Payoff upon Assuming Elective Office;
ii. Authorize the Auditor-Controller to amend the Fiscal Year 2025-26 Adopted Budget for the Board of Supervisors, Fund 001, Appropriation Unit BOA001, to increase appropriations by $56,042, financed by a decrease in appropriations in General Fund Contingencies, Fund 001, Appropriation Unit CAO020 (4/5ths vote required);
iii. Direct the Human Resources Department and Auditor-Controller's Office to implement the changes in the Advantage Human Resources Management (HRM) system.

Adopted

27. Approve the County of Monterey Board of Supervisors Draft Action Meeting Minutes for the following meeting date: Tuesday, August 12, 2025.

Approved

Housing and Community Development

28. Adopt an ordinance to designate the Fire Hazard Severity Zones in the unincorporated areas of Monterey County as recommended by the California State Fire Marshal pursuant to Government Code section 51178.

Adopted

Public Works, Facilities and Parks

29. Adopt a Resolution directing the Department of Public Works, Facilities and Parks (PWFP) to prepare an Engineer's Report and complete a Proposition 218 election for County Service Area 45-Oak Hills (CSA 45) to increase direct benefit assessment rates to place annual revenue in line with annual costs for CSA 45 active services that include street lighting and drainage system maintenance and Open Space to include space maintenance.

Continued

30. Adopt a Resolution directing the Department of Public Works, Facilities and Parks (PWFP) to

proceed with the preparation of an Engineer's Report and complete a Proposition 218 election for County Service Areas (CSAs) 1 - Carmel Point (CSA 1) for street lighting and street maintenance, 15 - Serra Village/Toro Park (CSA 15) for street lighting, storm drain maintenance, street and sidewalk maintenance and open space maintenance, 23 - Carmel Rancho (CSA 23) for street lighting, storm drain maintenance, street and sidewalk maintenance, and 50 Rioway Tract No. 2 (CSA 50) for storm drain maintenance and levee maintenance, to increase direct benefit assessment rates to place annual revenue in line with annual costs for the active services.

Adopted

Please refer to the Board Orders for the approved and adopted Agreement, Resolution and Ordinance numbers.

County of Monterey

Board Report

Legistar File Number: 25-596

Item No.39

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/20/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

Authorize the County Administrative Officer, or designee, to execute all documents necessary to approve Change Order #1 with Opterra Energy Services in the amount of $1,525,060 to replace the roof of 168 W. Alisal Street, Salinas, as part of the ongoing solar project.

RECOMMENDATION:
It is recommended that the Board of Supervisors authorize the County Administrative Officer, or designee, to execute all documents necessary to approve Change Order #1 with Opterra Energy Services in the amount of $1,525,060 to replace the roof of 168 W. Alisal Street, Salinas, as part of the ongoing solar project.

SUMMARY:
On December 3, 2024, the Board of Supervisors (Board) approved entering into Agreements between the County and ENGIE Services U.S. Inc. (ENGIE), now known as Opterra Energy Services (Opterra) to implement solar energy projects at Natividad Medical Center (NMC) at 1441 Constitution Blvd., Salinas (NMC Agreement), the Information Technology Department (ITD) building at 1590 Moffett Street, Salinas, and the County Administration Building, located at the downtown Government Center, 168 W. Alisal Street, Salinas (County Agreement). On June 17, 2025, the Board voted to approve using $1,936,000 from Fund 478 to fund the 168 W. Alisal Street, Rooftop Replacement Project to replace the existing 20-year-old roof with a new roof with a 30-year warranty prior to the installation of solar panels. The total project cost of $1,936,000 includes funds for the change order provided by Opterra Energy Services (Opterra) (Attachment - Change Order Request #01a Rooftop Alisal), contingency to cover unknown conditions including deteriorated structural building components and existing roofing materials discovered during construction work, constructability review, a 30-year warranty, insurance, and Public Works, Facilities and Parks (PWFP) staff time. This item is to request authorization to approve this change order with Opterra, in the amount of $1,525,060.

DISCUSSION:
As discussed during the Budget Hearings on May 28, 2025, the roof at the Government Center has exceeded its 20-year useful life and is showing signs of degradation. PWFP - Facilities determined that replacing the rooftop before installing solar panels on the roof is of critical importance. This is in part to safeguard against further roof degradation and to protect against potential leaks that could disrupt County operations and result in costly emergency repairs. It would also be difficult to replace the roof once the panels are installed due to the 24” clearance under the solar panels, which would make it difficult for work to be done under them and increase installation costs by approximately 30%. If the solar panel system is installed prior to the replacement of the existing 20-year old roof and installation of a new roof, the County would need to engage Opterra to deactivate and disassemble the system, store the system, and

reinstall the system once the roof replacement is complete. This would result in a significant expense to the County and exceed the scope of the Agreement with Opterra which includes operations and maintenance.

Therefore, staff recommends replacing the roof before the solar panels are installed on the roof. The change order provided by Opterra using MLB-Energy as a sub-contractor includes a 30-year asset lifetime and warranty, which matches the 30-year equipment life of the solar panels. Aligning the installation and lifespans of the rooftop and solar panel projects protects the County's interests over the long-term. The Board voted unanimously on June 17, 2025, to use funds from Fund 478 to implement the roof replacement project.

OTHER AGENCY INVOLVEMENT:
County Administration Office - Sustainability Program Staff coordinated with PWFP-Facilities to develop the Capital Improvement Project Sheet (CIP Sheet CAO-25-01). On December 3, 2024, the Board of Supervisors approved entering into an Agreement between the County and ENGIE Services U.S. Inc, now known as Opterra (County Agreement), to implement the solar project at the County Administration Building, located at the downtown Government Center, 168 W. Alisal Street, Salinas. The County Agreement was approved as to form by the Office of the County Counsel.

FINANCING:
The total cost Change Order #1 provided by Opterra is for $1,525,060. The breakdown of these costs can be seen in attachment Change Order Request #01a. These costs have been built into CIP Sheet CAO-25-01 in collaboration with PWFP - Facilities for a total project cost of $1,936,002. This CIP Sheet is attached to this report as CIP Sheet CAO-25-01. This total cost includes the cost of design and construction, contractor overhead, constructability review provided by Harris & Associates, bonds and insurance, warranty, PWFP staff time, and a 20% contingency budget to cover unknown conditions discovered during construction work. On June 17, 2025, the Board of Supervisors voted to use Fund 478 -to implement this rooftop replacement project in the amount of $1,936,002.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
This item supports the County's municipal climate action goals.

Mark a check to the related Board of Supervisors Strategic Plan goals

_X_ Economic Development
__ Administration
_X_ Health & Human Services
_X_ Infrastructure
_X_Public Safety

Prepared by: Cora Panturad, Sustainability Program Manager (Interim) x5338
Approved by: Nick Chiulos, Chief Assistant County Administrative Officer x5145

Attachments:
Change Order 1 - Monterey County 168 Alisal Roof Overlay

Change Order Request #01a Rooftop Alisal
CIP Sheet CAO-25-01
December 3, 2024 - County Agreement

County of Monterey

Board Report

Legistar File Number: 25-596

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/20/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

Authorize the County Administrative Officer, or designee, to execute all documents necessary to approve Change Order #1 with Opterra Energy Services in the amount of $1,525,060 to replace the roof of 168 W. Alisal Street, Salinas, as part of the ongoing solar project.

RECOMMENDATION:
It is recommended that the Board of Supervisors authorize the County Administrative Officer, or designee, to execute all documents necessary to approve Change Order #1 with Opterra Energy Services in the amount of $1,525,060 to replace the roof of 168 W. Alisal Street, Salinas, as part of the ongoing solar project.

SUMMARY:
On December 3, 2024, the Board of Supervisors (Board) approved entering into Agreements between the County and ENGIE Services U.S. Inc. (ENGIE), now known as Opterra Energy Services (Opterra) to implement solar energy projects at Natividad Medical Center (NMC) at 1441 Constitution Blvd., Salinas (NMC Agreement), the Information Technology Department (ITD) building at 1590 Moffett Street, Salinas, and the County Administration Building, located at the downtown Government Center, 168 W. Alisal Street, Salinas (County Agreement). On June 17, 2025, the Board voted to approve using $1,936,000 from Fund 478 to fund the 168 W. Alisal Street, Rooftop Replacement Project to replace the existing 20-year-old roof with a new roof with a 30-year warranty prior to the installation of solar panels. The total project cost of $1,936,000 includes funds for the change order provided by Opterra Energy Services (Opterra) (Attachment - Change Order Request #01a Rooftop Alisal), contingency to cover unknown conditions including deteriorated structural building components and existing roofing materials discovered during construction work, constructability review, a 30-year warranty, insurance, and Public Works, Facilities and Parks (PWFP) staff time. This item is to request authorization to approve this change order with Opterra, in the amount of $1,525,060.

DISCUSSION:
As discussed during the Budget Hearings on May 28, 2025, the roof at the Government Center has exceeded its 20-year useful life and is showing signs of degradation. PWFP - Facilities determined that replacing the rooftop before installing solar panels on the roof is of critical importance. This is in part to safeguard against further roof degradation and to protect against potential leaks that could disrupt County operations and result in costly emergency repairs. It would also be difficult to replace the roof once the panels are installed due to the 24” clearance under the solar panels, which would make it difficult for work to be done under them and increase installation costs by approximately 30%. If the solar panel system is installed prior to the replacement of the existing 20-year old roof and

installation of a new roof, the County would need to engage Opterra to deactivate and disassemble the system, store the system, and reinstall the system once the roof replacement is complete. This would result in a significant expense to the County and exceed the scope of the Agreement with Opterra which includes operations and maintenance.

Therefore, staff recommends replacing the roof before the solar panels are installed on the roof. The change order provided by Opterra using MLB-Energy as a sub-contractor includes a 30-year asset lifetime and warranty, which matches the 30-year equipment life of the solar panels. Aligning the installation and lifespans of the rooftop and solar panel projects protects the County's interests over the long-term. The Board voted unanimously on June 17, 2025, to use funds from Fund 478 to implement the roof replacement project.

OTHER AGENCY INVOLVEMENT:
County Administration Office - Sustainability Program Staff coordinated with PWFP-Facilities to develop the Capital Improvement Project Sheet (CIP Sheet CAO-25-01). On December 3, 2024, the Board of Supervisors approved entering into an Agreement between the County and ENGIE Services U.S. Inc, now known as Opterra (County Agreement), to implement the solar project at the County Administration Building, located at the downtown Government Center, 168 W. Alisal Street, Salinas. The County Agreement was approved as to form by the Office of the County Counsel.

FINANCING:
The total cost Change Order #1 provided by Opterra is for $1,525,060. The breakdown of these costs can be seen in attachment Change Order Request #01a. These costs have been built into CIP Sheet CAO-25-01 in collaboration with PWFP - Facilities for a total project cost of $1,936,002. This CIP Sheet is attached to this report as CIP Sheet CAO-25-01. This total cost includes the cost of design and construction, contractor overhead, constructability review provided by Harris & Associates, bonds and insurance, warranty, PWFP staff time, and a 20% contingency budget to cover unknown conditions discovered during construction work. On June 17, 2025, the Board of Supervisors voted to use Fund 478 -to implement this rooftop replacement project in the amount of $1,936,002.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:
This item supports the County's municipal climate action goals.

Mark a check to the related Board of Supervisors Strategic Plan goals

_X_ Economic Development
__ Administration
_X_ Health & Human Services
_X_ Infrastructure
_X_Public Safety

Prepared by: Cora Panturad, Sustainability Program Manager (Interim) x5338
Approved by: Nick Chiulos, Chief Assistant County Administrative Officer x5145

Attachments:
Change Order 1 - Monterey County 168 Alisal Roof Overlay
Change Order Request #01a Rooftop Alisal
CIP Sheet CAO-25-01
December 3, 2024 - County Agreement

Change Order No. 01

Contract Title: Energy Services Contract	**Contract Number: R3652**
Contract Effective Date: December 3, 2024	**Change Order Effective Date: August 15, 2025**

Customer Name:	County of Monterey
Address:	168 W. Alisal Street, Salinas, CA 93901
Contact:	Cora Panturad
Job Location:	168 W. Alisal Street, Salinas, CA 93901

Reason for/Description of Change Order:	Whereas, on June 13, 2025, ENGIE Services U.S. Inc. changed its name to OPTERRA Energy Services, LLC ("OPTERRA"). The following changes shall be made to the Scope of Work: OPTERRA shall apply a new roofing membrane as an overlay of the existing roof deck material at the Civic Center building at 168 W. Alisal Street, Salinas CA, 93901. The new roofing membrane shall be a fully adhered Soprema Sentinel P200 Polyvinyl Chloride (PVC) membrane approximately 43,170 square feet in area. This specification includes a 30-year manufacturer's No Dollar Limit (NDL) Warranty. The module mounting system shall be changed from a Beacon Low Profile system to a Panelclaw Ballasted Module Mounting system to reduce rooftop penetrations. OPTERRA shall include the following the Scope of Work: • OPTERRA shall clean the existing roof surface to allow for the installation of a low-rise adhesive according to the roof manufacturer's surface preparation specification. Any cleaning or preparation related debris shall be disposed of per local ordinances. • OPTERRA shall conduct thermal image scans of the existing roof prior to installing the new roof to ensure that it is free of moisture. • The material of the overlay shall be a fully adhered Sentinel P200 fleece backed PVC membrane, which comes with a 30 year NDL Warranty. • Soprema's guide spec, which provides the materials specifications, installation methods, and installation details, shall be used for the installation of the roof overlay. • OPTERRA shall ensure that Soprema provides a technical inspector to monitor the installation as it is occurring to verify that the manufacturer defined installation procedures are being followed so that the 30-year warranty can be provided. OPTERRA shall re-use the existing coping cap and large and hooded vents. • OPTERRA shall relace vent flashings eight (8) inches and under and tubes smaller than 2" x 3". • OPTERRA shall install termination bars at counterflashing conditions. • OPTERRA shall install a new edge metal at the parapet to match existing. The Thermoplastic Polyolefin ("TPO") metal shall be fabricated for scuppers and roof edge metal as required. • OPTERRA shall provide and install membrane pipe boots, utilizing prefabricated corners, applying T-join patches, and placing perimeter 1/2-sheets. OPTERRA shall fabricate and install custom membrane-coated metal details as required for scuppers, screen wall flashings, and saddles. • OPTERRA shall roof in all A/C, fan, and skylight curbs according to manufacturer's requirements. • All membrane wall flashing shall be adhered. • All construction related debris shall be removed from the site upon completion of the work.

	• The manufacturer's warranty, fees, and inspections, including solar related overburden requirements, are included in the project pricing. • OPTERRA shall install new walk pads on the rooftop in the same location as existing walk pads, where possible. If solar modules are intended to be placed in the location of existing walk pads, the new walk pads will be placed as close as possible to the existing locations. • Crane lifts to transport materials to the roof shall occur on the weekend. The building must be unoccupied during the crane lift. Clarifications and Exclusions: • All work is based on standard work weeks and work during regular business hours. • The existing parapet coping cap will remain in place. Seams will be cleaned and sealed, and termination of roof membrane will be completed under the existing flashing on interior of the parapet wall. • One (1) mobilization is included with this bid. Additional mobilizations will require an additional fee. • Repair of any existing deteriorated structural building components including, but not limited to, dry rot, rust, or damaged or cracked concrete shall be excluded. • This Scope of Work does not include the addition of any new down spouts, drains, roof vents, or dormer vents. • This Scope of Work does not include the demolition or removal of the existing roof deck material, roofing insulation, or any other roofing materials not otherwise specifically called out within the Scope of Work.

Original Contract Amount:	$ 8,539,700.00
Prior Approved Change Order(s) Will Add/(Deduct)	$ +0.00
This Change Order Will Add (Deduct):	$ +1,525,060.00
Revised Contract Amount (includes sales tax):	**$ 10,064,760.00**

Days added to Project Schedule	0 days

The parties may execute this Change Order in counterparts, each of which constitutes an original, and all of which, collectively, constitute only one change order. The signatures of each of the parties need not appear on the same counterpart, and in the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

COUNTY OF MONTEREY		**OPTERRA ENERGY SERVICES, LLC**	
By:	_____	By:	_____
Print Name:	_____	Print Name:	_____
Title:	_____	Title:	_____

RETURN SIGNED DOCUMENT TO: Opterra Energy Services, LLC, 500 Twelfth Street, Suite 300, Oakland, CA 94607, Attn.: Contract Administrator

Change Order Request

COR #01a - r3

Civic Center Re-Roof with PVC Overlay and 30 Year Warranty

August 15, 2025

Monterey County
168 W. Alisal Street
Salinas, CA 93901
Attn: Cora Panturad

Project: Civic Center and Information Technology Department Solar Arrays
OPTERRA Project Number: CN-001318
OPTERRA Contract Number: R 3652

Cora,

OPTERRA is pleased to provide this proposal for the additional scope of work as described below in the amount of $1,525,060 (One Million Five Hundred Twenty Five Thousand Sixty Dollars).

Category	Description	Cost Amount	% of COR Cost	Cost Source
Project Management and Construction Adminstration	**Construction Administration** OPTERRA Labor	**$ 214,286**	14%	OPTERRA
Construction	**Civic Center** Re-Roof with PVC Overlay with 30 year warranty Labor Material Equipment Re-design of the module mounting system to be a Panelclaw Ballasted Module Mounting system **Bonds and Insurance** **Warranty**	 $ 506,211 $ 512,850 $ 58,440 $ (25,000) $ 45,904 $ 15,753	 33% 34% 4% -2% 3% 1%	MBL MBL OPTERRA OPTERRA
Overhead & Profit	**Overhead & Profit**	**$ 196,616**	13%	% of cost
	Total Change Order Request Cost to Monterey County	**$ 1,525,060**	100%	

Change Order Request Scope of Work:

OPTERRA shall apply a fully adhered Soprema Sentinel P200 Polyvinyl Chloride (PVC) roofing membrane as an overlay of the existing material of the roof deck of the approximate 43,170 square foot Civic Center at 168 W. Alisal Street, Salinas CA, 93901. This specification includes a 30-year manufacturer's No Dollar Limit (NDL) warranty. The module mounting system shall be changed from a Beacon Low Profile system to a Panelclaw Ballasted Module Mounting system to reduce rooftop penetrations. OPTERRA shall include the following the Scope of Work.

- The existing roof surface including manufacturer's surface preparation necessary to install low rise adhesive shall be cleaned. Debris shall be disposed of per local ordinance.
- The material of the overlay is a fully adhered Sentinel P200 fleece backed PVC membrane with a 30 year NDL Warranty.
- The existing coping cap and large and hooded vents shall be re-used.
- Small vent flashings (8 inches and under), tube, or 2 x 3 outlets shall be replaced.
- Termination bars at counterflashing conditions shall be installed.
- New edge metal at the parapet shall be installed to match existing. TPO metal shall be fabricated for scuppers and roof edge metal as required.
- Membrane pipe boots shall be provided and installed, prefab corners shall be utilized, T-join patches shall be applied, and perimeter 1/2-sheets shall be placed. Custom membrane-coated metal details shall be fabricated and installed as required for scuppers, screen wall flashings, and saddles.
- All A/C, fan, and skylight curbs shall be roofed in according to manufacturer's requirements.
- All membrane wall flashing shall be adhered.
- All construction related debris shall be removed from the site upon completion of the work.
- The manufacturer's warranty fees and inspections, including solar related overburden requirements, are included in the project pricing.

Change Order Request Clarifications and Exclusions:

- All work is based on standard work weeks and work during regular business hours.
- The existing parapet coping cap will remain in place. Seams will be cleaned and sealed, and termination of roof membrane will be completed under the existing flashing on interior of the parapet wall.
- Permit or fees are not included.
- One (1) mobilization is included with this bid. Additional mobilizations will require an additional fee.

Thank you for the opportunity. Please let us know if you require additional information.

Logan Ahlgren

Logan Ahlgren
Project Manager
OPTERRA Energy Services
(415) 410-3505
lahlgren@opterraenergy.com

OPTERRA
ENERGY SERVICES

COR #01a - r3						
Civic Center Re-Roof with PVC Overlay and 30 Year Warranty						
OPTERRA LABOR COSTS						
Personnel	**Project Engineer**	**Project Manager**	**Construction Manager**	**Project Director**	**Project Coordinator**	**Total**
Hours	40	60	510	24	30	**664**
Hourly Rate	$323	$355	$320	$384	$255	
Total Labor	$ 12,920	$ 21,300	$ 163,200	$ 9,216	$ 7,650	**$ 214,286**

County of Monterey

Five-Year Capital Improvement Plan
Fiscal Years 2025-2026 through 2029-2030

Project Name:
168 W. Alisal Rooftop Replacement Solar

Project Number:
CAO-25-01

Project Status:
Active

Project Address:
168 W. Alisal St

Department:
Administration

Department Priority:

Type:
Building

Geographic Area:
City of Salinas

Contact Name/Phone #:
Cora Panturad/831-755-5338

Fund #:
TBD

Funding Status:
First Year Funded

Unit #:
TBD

Latitude:
36.673816

Longitude:
-121.660049

Useful Life:
30 years

Project Phase:
Design/Planning

Managing Department:
Other

First Year Project was added to CIP:
FY 2024/25

Supervisor District:
District 4

Planning Commission Approval:
Not Applicable

General Plan or Land Use Plan Consistency (Planning Commission):

Sustainability Design Elements (Planning Commission):

Project Description:

Replacement of roof at 168 W. Alisal with a 30-year warranty needed before the installation of solar panels previously approved and funded by the Board of Supervisors. This funding also includes Owner Advocate Representation by Harris and Associates to ensure that all County systems and operations are taken into account. $200k has been added to cover soft costs and PWFP staff time. The

Justification:

This project is a priority due to the April 16, 2026, deadline to install solar panels before the Net Energy Metering 2.0 deadline and to complete the solar project at this site. Waiting to install a new roof after the solar project is installed will increase costs of working around the solar system or uninstalling during construction. The current roof is beyond its 20-year lifespan and is showing signs of deterioration.

Project Status and Goals/Tasks to be Completed in the 1st Year of the CIP:

Construction of roof to be completed before 12/31/2025. Full project to be complete by 9/28/2026.

Estimated Project Cost by Year	Prior Cost	Current FY	Year 1 2025-26	Year 2 2026-27	Year 3 2027-28	Year 4 2028-29	Year 5 2029-30	Total Project
Design/Environ	0	0	41428(	0	0	0	0	$414286

Right Of Way/Utilities	0	0	0	0	0	0	0	$0
Construction Management	.0	0	75352	0	0	0	0	$75352
Construction	0	0	11175(	0	0	0	0	$1117501
Emergency Work	0	0	0	0	0	0	0	$0
Other	0	0	10536:	0	0	0	0	$105363
Furniture, Fixtures, & Equipment	0	0	0	0	0	0	0	$0
Contingency	0	0	22350(	0	0	0	0	$223500
Total Estimated Project Cost	$0	$0	$1936002	$0	$0	$0	$0	$1936002

Source of Funds	**Prior Cost**	**Current FY**	**Year 1 2025-26**	**Year 2 2026-27**	**Year 3 2027-28**	**Year 4 2028-29**	**Year 5 2029-30**	**Total Project**
Fund 478	0	0	93600:	0	0	0	0	$936002
	0	0	0	0	0	0	0	$0
	0	0	0	0	0	0	0	$0
	0	0	0	0	0	0	0	$0
	0	0	0	0	0	0	0	$0
	0	0	0	0	0	0	0	$0
	0	0	0	0	0	0	0	$0
Unfunded	0	0	0	0	0	0	0	$0
Total source of funds	$0	$0	$936002	$0	$0	$0	$0	$936002

PWFP Use Only

Priority Score:	35
F1 – Immediate Health/Safety:	0
F2 – Future Health/Safety:	5

GARE Cohort Review (Yes/No - 1pt)

GARE Score:	0
Contribute to Community Civic Engagement:	0

F3 – Significant Health/Safety :	10
F4 – Security Issue:	0
F5 – Voluntary ADA Improvement:	0
F6 – Improve Public/Staff Experience:	0
F7 – < 3 Yrs to End of Useful Life:	10
F8 – Improve System Efficiency:	0
F9 – Green Energy Element:	0
F10 – Matching Funds:	0
F11 – Reduce Repair Costs:	10
F12 – Repairs Cost Effective:	0

Resident/Stakeholder Involved Planning:	0
Smart Growth Neighborhood Services:	0
Improve Quality of Life, Race and Health Equity:	0
Improve Open Space/Environment:	0
Improve Services to Vulnerable Populations:	0

Notes:

Save

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DIR Project Registration # _ _ _ _ _ _
ENGIE Services Project #: CN-001318
ENGIE Services Contract # R 3652

ENERGY SERVICES CONTRACT

This **ENERGY SERVICES CONTRACT** (this "Contract") is made and entered into as of December 3,2024 (the "Contract Effective Date") by and between **ENGIE Services U.S. Inc.**, a Delaware corporation, with California State Contractor's License Number 995037 ("ENGIE Services U.S."), and **the County of Monterey** ("County" and together with ENGIE Services U.S. the "Parties" and each of County and ENGIE Services U.S. a "Party").

CONTRACT RECITALS

WHEREAS, County owns and/or operates certain public facilities specifically described in Attachment A (the "Facilities") and County wishes to reduce the Facilities' energy consumption and costs and improve the Facilities' energy quality and reliability; and

WHEREAS, ENGIE Services U.S. is a full-service energy services company with the technical capabilities to provide services to County including identifying supply-side and/or demand-side energy conservation measures ("ECMs"), engineering, procurement, construction management, installation, construction and training; and

WHEREAS, ENGIE Services U.S. has identified potential energy and operational savings opportunities at County's Facilities and estimated program costs to implement the ECMs and presented an overall potential energy cost and consumption savings for implementing the ECMs; and

WHEREAS, pursuant to California Government Code §4217.12, County held a regularly scheduled public hearing on [●], of which two weeks advance public notice was given regarding this Contract and its subject matter, and

WHEREAS, County has determined that the anticipated cost to County to implement the ECMs will be less than the anticipated cost to County for thermal, electrical, and other energy, together with anticipated operational, maintenance and other costs, that would have been consumed by County in the absence of the ECMs in compliance with California Government Code §§4217.10 through 4217.18; and

WHEREAS, County has determined that entering into this energy services contract to implement the ECMs is in the best interests of County and that California Government Code §4217.10 *et seq.* allows County to enter into this Contract; and

WHEREAS**,** by adoption of Resolution No. _____ at the above-referenced meeting, County approved this Contract and authorized its execution.

NOW, THEREFORE, County and ENGIE Services U.S. hereby agree as follows:

ARTICLE 1. DEFINITIONS

For purposes of this Contract and its Attachments, defined terms will have the following meanings:

"**Abnormally Severe Weather Conditions**" means typhoons, hurricanes, tornadoes, lightning storms and other climatic and weather conditions that are abnormally severe for the period of time when, and the area where, such storms or conditions occur, in each case occurring at a property, the access roads to a property, or any other location where Work or Professional Services are then being performed. The term "Abnormally Severe Weather Conditions" specifically includes rain, snow or sleet in excess of one hundred fifty percent (150%) of the median level over the preceding ten (10) year period for the local geographic area and time of year in which such rain, snow or sleet accumulates.

"**Act**" is defined in ARTICLE 14.

"**ADA**" means the Americans With Disabilities Act.

"**Affiliate**" means any Person that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Person specified. For purposes of this definition, control of a Person means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person whether by contract or otherwise; ownership of fifty percent (50%) or more of the voting securities of another Person creates a rebuttable presumption that such Person controls such other Person.

"**Applicable Law**" means any statute, law, treaty, building code, rule, regulation, ordinance, code, enactment, injunction, writ, order, decision, authorization, judgment, decree, protocol, procedure or other legal or regulatory

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determination or restriction by a court or Governmental Authority of competent jurisdiction, as may be in effect at the time the Work or Professional Services are undertaken.

"**Applicable Permits**" means all permits, approvals, inspections and certifications required to be issued by any Governmental Authority in connection with the Professional Services or the building, installation and start-up of the Work as of the Contract Effective Date.

"**Application for Payment**" means a monthly progress payment as described in Section 8.01 or an invoice for materials stored off-site as described in Section 8.02.

"**Arbitral Panel**" is defined in Section 19.04(ii).

"**Arbitration Rules**" is defined in Section 19.04(ii).

"**Attachment**" means the following attachments to this Contract, each of which is an "Attachment:"

Attachment A	County's Facilities and Existing Equipment
Attachment B	Standards of Occupancy and Control
Attachment C	Scope of Work
Attachment D	Scope of Monitoring Installation
Attachment E	Solar Production Guarantee
Attachment F	Maintenance Services
Attachment G	Schedule of Values

"**Beneficial Use**" means when major new equipment and systems included in the Scope of Work are properly installed, inspected, operational, and are capable of being used for their intended purpose. Criteria for Beneficial Use of equipment / systems will be established as defined in Attachment C.

"**Business Day**" means any calendar day other than a Saturday, a Sunday or a calendar day on which banking institutions in San Francisco, California, are authorized or obligated by law or executive order to be closed.

"**CEQA**" means the California Environmental Quality Act, codified at California Public Resource Code § 21000 *et seq.*, and the applicable state and local guidelines promulgated thereunder.

"**Certificate of Beneficial Use**" means the certificate, issued by ENGIE Services U.S. to County and subcontractor(s), which identifies when County took Beneficial Use of the Work or any portion thereof. A Certificate of Beneficial Use may be executed for an individual subcontract, a specific building, a portion of the Work, or the entire Work.

"**Certificate of Final Completion**" means the certificate issued by ENGIE Services U.S. to County, in accordance with Section 6.03. A Certificate of Final Completion may be executed for an individual subcontract, a specific building, a portion of the Work, or the entire Work.

"**Certificate of Substantial Completion**" means the certificate issued by ENGIE Services U.S. to County, in accordance with Section 6.02. A Certificate of Substantial Completion may be executed for an individual subcontract, a specific building, a portion of the Work, or the entire Work.

"**Change**" means any addition to, deletion from, suspension of, or other modification to the quality, function, or intent of the Work or Professional Services.

"**Change in Law**" means any of the following events or circumstances occurring after the Contract Effective Date: (i) an amendment, modification, interpretation, construction, enforcement standard, supplement or other change in or repeal of an existing Applicable Law; or (ii) an enactment or making of a new Applicable Law (excluding a change in any income or franchise tax law, worker's compensation, payroll or withholding tax law, but including any change in law imposing new or additional tariffs or import duties).

"**Change Order**" means a written document, signed by both ENGIE Services U.S. and County, authorizing ENGIE Services U.S. to perform a Change. The Change Order modifies the Scope of Work and should identify: (i) the applicable Change; (ii) any additional compensation to be paid to ENGIE Services U.S. to perform such Change; and (iii) any extension of time to complete the Project.

"**Construction**" means any and all Work to be performed that involves construction, alteration, repair, installation or removal of equipment, addition to, subtraction from, improving, moving, wrecking or demolishing any building, parking facility, excavation, or other structure or improvement, or any part thereof.

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"**Construction Documents**" means the final designs, drawings, specifications and submittals that are used for Construction, and any Change Orders affecting those documents, that describe the technical requirements for the installation of all the materials and equipment pursuant to this Contract.

"**Construction Period**" means the period beginning with the first day of the month in which material or equipment is first installed at the Facilities and continuing until the M&V Commencement Date.

"**Contract**" is defined in the Preamble, and includes all Attachments hereto (all of which are incorporated herein by this reference), as well as all Change Orders, amendments, restatements, supplements and other modifications hereto.

"**Contract Amount**" means Eight Million Five Hundred Thirty-Nine Thousand Seven Hundred Dollars ($8,539,700.00), which is inclusive of the mobilization payment, as set forth in Section 8.01, but exclusive of any fees for Professional Services.

"**Contract Bonds**" is defined in Section 12.02.

"**Contract Effective Date**" is defined in the Preamble.

"**County**" is defined in the Preamble.

"**County Persons**" means County, its agents, employees, subcontractors, architects, general contractors, lease/leaseback contractors or other Persons responsible for managing this Energy Services Contract.

"**Delay**" means any circumstances involving delay, disruption, hindrance or interference affecting the time of performance of the Work or the Professional Services.

"**Dispute**" is defined in Section 19.02.

"**DOE Guidelines**" is defined in Section 13.01.

"**ECM**" is defined in the Recitals.

"**Education Services**" (if any) are defined in Attachment G.

"**Energy Delivery Point**" means, for each Generating Facility, the point at which Utility meter energy is being delivered, as designated in the Interconnection Agreement.

"**Energy Usage Data**" is defined in Section 2.05.

"**ENGIE Services U.S.**" is defined in the Preamble.

"**ENGIE Services U.S. Warranty**" is defined in Section 9.01.

"**Event of Default**" is defined in ARTICLE 16.

"**Excusable Event**" means an act, event, occurrence, condition or cause beyond the control of ENGIE Services U.S., including, but not limited to, the following: (i) any act or failure to act of, or other Delay caused by any County Person; (ii) the failure to obtain, or delay in obtaining, any Interconnection Agreement, Applicable Permit, or approval of a Governmental Authority (including due to failure to make timely inspection), or Delays caused by Changes and/or modifications to the Scope of Work required by a Governmental Authority, other than a failure caused by the action or inaction of ENGIE Services U.S.; (iii) changes in the design, scope or schedule of the Work required by any Governmental Authority or County Person; (iv) undisclosed or unforeseen conditions encountered at the Project Location, including discovery or existence of Hazardous Substances; (v) the failure to obtain, or delay in obtaining, approval of any Governmental Authority for design and installation of any portion of the Work, including any further or subsequent approval required with respect to any Change, other than a failure caused by the action or inaction of ENGIE Services U.S.; (vi) information provided to ENGIE Services U.S. by any County Person or Utility is later found to be inaccurate or incomplete; (vii) any Change in Law; (viii) Delay caused by pending arbitration; (ix) acts of God; (x) acts of the public enemy or terrorist acts; (xi) relocation or construction of transmission facilities or the shutdown of such facilities for the purpose of necessary repairs; (xii) work by Utility; (xiii) flood, earthquake, tornado, storm, fire, explosions, lightning, landslide or similar cataclysmic occurrence; (xiv) sabotage, vandalism, riots or civil disobedience; (xv) labor disputes or strikes; (xvi) labor or material shortages; material delay in manufacturing and/or deliveries of equipment or supply chain disruptions; each to the extent outside of ENGIE Services U.S.'s control; (xvii) Abnormally Severe Weather Conditions; (xviii) an annual level of direct beam solar resource availability that is less than or equal to 90% of historical averages as measured by long-term weather data (minimum 5 years) collected at the applicable Facility and/or other reliable calibrated and appropriate weather station representative of such Facility; (xix) requirement by Utility that any Generating Facility discontinue operation; (xx) any action by a Governmental Authority that prevents or inhibits the Parties from carrying out their respective obligations under this Contract (including an unstayed order of a court or administrative agency having the effect of subjecting the sales of energy output to federal or state regulation of prices and/or services); (xxi) any Utility power outage at a Facility;

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(xxii) damage to any equipment or other Work installed by ENGIE Services U.S. caused by the act or omission of any County Person; or (xxiii) regional epidemic or global pandemic.

"**Facilities**" is defined in the Recitals.

"**Final Completion**" means the stage in the progress of the Work at which the Construction Work as identified in the Scope of Work, or a designated portion thereof, has been completed and commissioned, including completion of all Punch List items, completion of all required training, and delivery to County of the final documentation (as-built drawings, operation and maintenance manuals, warranty documentation and final submittals).

"**Generating Facility**" means each of the photovoltaic, solar powered generating facilities located at the sites listed in Attachment E, and includes all associated photovoltaic panels, mounting assemblies, inverters, converters, metering, lighting fixtures, transformers, ballasts, disconnects, combiners, switches, wires and other equipment that may be necessary to connect the Generating Facility to the applicable Energy Delivery Point.

"**Governmental Authority**" means any federal, state, regional, town, county, city, municipal or local government agency, department or regulatory body having jurisdiction under Applicable Law over the matter in question.

"**Greenhouse Gas**" is defined in Section 13.01.

"**Hazardous Substances**" means (i) any hazardous, toxic, or dangerous wastes, substances, chemicals, constituents, contaminants, pollutants, and materials and any other carcinogenic, liquids, corrosive, ignitable, radioactive, reactive, toxic, or otherwise hazardous substances or mixtures (whether solids, liquids, gases) now or at any time subject to regulation, control, remediation, or otherwise addressed under Applicable Laws; (ii) any "hazardous substance" as defined by the Resource, Conservation and Recovery Act of 1976 (42 U.S.C. §6901 *et seq.*), as amended, and regulations promulgated thereunder; (iii) any "hazardous, toxic or dangerous waste, substance or material" specifically defined as such in 42 U.S.C. §9601 *et seq.*), as amended and regulations promulgated thereunder; and (iv) any hazardous, toxic or dangerous waste, substance, or material as defined in any so-called "superfund" or "superlien" law.

"**Incentive Funds**" is defined in Section 8.06.

"**Installation**" means the setting up, construction, and placement of any equipment or materials in the manner it will be operated, in accordance with the Scope of Work and in accordance with all Applicable Laws.

"**Instruments of Service**" is defined in Section 10.01(c).

"**Interconnection Agreement**" means the Interconnection Agreement to be entered into between County and the Utility with respect to the Generating Facilities.

"**Interconnection Facilities**" is defined in Section 18.02.

"**Interest**" means interest calculated at the lesser of (i) the prime rate plus two percent (2%) or (ii) the maximum rate permitted by Applicable Law. The "prime rate" will be the "Prime Rate" of interest per annum for domestic banks as published in The Wall Street Journal in the "Money Rates" section.

"**Losses**" is defined in Section 11.01.

"**M&V Commencement Date**" means the first day of the month immediately following the later of (i) ENGIE Services U.S.'s receipt of the fully signed Certificate of Final Completion, and (ii) ENGIE Services U.S.'s receipt of the full Contract Amount.

"**M&V Services**" (if any) are defined in Attachment E.

"**Maintenance Services**" (if any) are defined in Attachment F.

"**Measurement Period**" means each one-year period following the M&V Commencement Date.

"**NEC**" means the National Electric Code.

"**Notice to Proceed**" is defined in Section 2.04.

"**Party**" and "**Parties**" are defined in the Preamble.

"**Person**" means any natural person, corporation, general partnership, limited partnership, limited liability company, proprietorship, other business organization, trust, union, association or Governmental Authority.

"**Professional Services**" means professional services (such as Education Services, Maintenance Services and M&V Services, if any) provided by ENGIE Services U.S. to County under this Contract.

"**Project**" means the entirety of Work to be performed by ENGIE Services U.S. pursuant to the Scope of Work, and any Change Orders.

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"**Project Location**" means the area or areas where the Project materials and equipment and any other energy related equipment, as described in the Scope of Work, are installed, and the general area where the Work is performed.

"**Punch List**" means, with respect to any portion of the Work, a list of minor corrective items which need to be completed or corrected in order to complete such portion of the Work, but do not impair County's ability to beneficially operate and utilize such portion of the Work.

"**Retained Items**" is defined in Section 10.02.

"**Retention**" is defined in Section 8.03.

"**Schedule of Values**" is defined in Section 8.01.

"**Scope of Work**" means the Work set forth in Attachments C and D, as modified by any Change Order.

"**Substantial Completion**" means the stage in the progress of the Work at which the Work, or a designated portion thereof, is sufficiently complete, in conformance with the Scope of Work, the Construction Documents and any Change Orders, so that County can take Beneficial Use thereof.

"**Surety**" means the surety supplying the Contract Bonds, which must be an "admitted surety insurer," as defined by California Code of Civil Procedure §995.120, authorized to do business in the State of California, and reasonably satisfactory to County.

"**Utility**" is defined in Section 18.02.

"**Work**" means the Work to be done by ENGIE Services U.S. pursuant to the Scope of Work, subject to any Change Orders.

ARTICLE 2. TERM; PERFORMANCE OF THE WORK

Section 2.01 Contract Term. The term of this Contract commences on the Contract Effective Date and ends on the last day on which Professional Services are provided, unless terminated earlier as provided in this Contract.

Section 2.02 Performance of Work. The Work and Professional Services to be performed hereunder will be provided in accordance with the terms of this Contract and the applicable standard of care. ENGIE Services U.S. will perform its obligations under this Contract (i) using the degree of skill and care that is required by current, good and sound professional procedures and practices, and (ii) in conformance with (x) generally accepted professional standards prevailing at the time the Work is performed, (y) the covenants, terms and conditions of this Contract, and (z) applicable laws, codes, rules and regulations, including, without limitation, the applicable provisions of the California Building Code. ENGIE Services U.S. represents and warrants that it is fully experienced in projects of the nature and scope of the Work and Professional Services, and that it is properly qualified, licensed and equipped to supply and perform the Work and Professional Services. The Work completed herein will be subject to County's general right of inspection and supervision to secure the satisfactory completion thereof in accordance with this Contract.

Section 2.03 Scope of Work.

(a) The Scope of Work may not exceed that set forth in Attachments C and D, except pursuant to a Change Order.

(b) The Professional Services may not exceed those set forth in Attachments E, F and G, except pursuant to a Change Order.

Section 2.04 Notice to Proceed. Within ten (10) days after the Contract Effective Date and provided ENGIE Services U.S. has furnished proof of having met the requirements set forth in Section 12.01 and section 12.04, County will issue to ENGIE Services U.S. a written Notice to Proceed ("Notice to Proceed"). ENGIE Services U.S. will begin Work within thirty (30) calendar days after ENGIE Services U.S.'s receipt of the Notice to Proceed. If County fails to issue the Notice to Proceed within twenty (20) calendar days after the Contract Effective Date, ENGIE Services U.S. will be entitled to an equitable extension of time and/or an equitable adjustment in the Contract Amount as a result of such delay.

Section 2.05 Project Schedule. After receipt of the Notice to Proceed, ENGIE Services U.S. will develop, with input from County, a master Project Schedule using Microsoft Project®. The Project Schedule shall be based on Critical Path Methodology (CPM) and include sufficient detail to reflect all elements of the project scope and all phases of the work (e.g., development, design, permitting, construction, etc.). County will have ten (10) calendar days following receipt of the project schedule to provide input. The project schedule shall be agreed to by the County and serve as the baseline for the project. The project schedule shall be agreed to by the County and serve as the baseline for the project. ENGIE Services U.S. will establish a weekly project meeting at which time the Work of the previous week will be reviewed and a two-week look ahead will be coordinated. The project schedule will be updated every other week to indicate status and completed tasks. If project delays occur that impact the Project Schedule and any of its identified critical paths and/or phases of work, regardless of whether the delays are caused by an Excusable Event, ENGIE

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Services U.S. within seven (7) calendar days shall in writing (i) notify the County of the delay; (ii) identify the nature and extent of the delay and its impact on the Project Schedule; (iii) provide an updated Project Schedule; and (iv) identify what, if any, corrective steps shall be taken to mitigate the delay impact on the overall Project Schedule.

Section 2.06 County's Energy and Operational Records and Data. If ENGIE Services U.S. requests, County will provide to ENGIE Services U.S., within thirty (30) calendar days after such request, County's Energy Usage Data for the twelve (12) months preceding the Contract Effective Date, and will make commercially reasonable efforts to provide the Energy Usage Data for the thirty-six (36) months preceding the Contract Effective Date. "Energy Usage Data" means all of County's records and complete data concerning energy usage, energy-related maintenance, and other related costs for the Facilities, and including, without limitation, utility records; occupancy information; descriptions of any past, present or anticipated changes in a building's structure or its heating, cooling, lighting or other systems or energy requirements; descriptions of all energy consuming or saving equipment used in the Facilities; applicable building drawings, specifications, existing AutoCAD files, operation and maintenance manuals, and as-builts; bills and records relating to operation and maintenance of systems and equipment within the Facilities, and a description of operation and management procedures currently utilized. County agrees that ENGIE Services U.S. may rely on the foregoing data as being accurate in all respects. If ENGIE Services U.S. requests, County will also provide to ENGIE Services U.S., within thirty (30) calendar days after such request, any prior energy audits of the Facilities, and copies of County's financial statements and records related to energy usage and operational costs for said time period at the Facilities, and will authorize its agents and employees to provide and freely discuss such records and to make themselves available for consultations and discussions with authorized representatives, employees, subcontractors, and agents of ENGIE Services U.S.

Section 2.07 *Reserved.*

Section 2.08 Proof of Financial Arrangements. Prior to the commencement of the Work, County will provide ENGIE Services U.S. proof that financial arrangements have been made to fulfill County's obligations under this Contract. County's requirement to furnish such proof to ENGIE Services U.S. is a condition precedent to commencement of the Work. After commencement of the Work, ENGIE Services U.S. may request such proof if (i) County fails to make payments to ENGIE Services U.S. as this Contract requires; (ii) a Change in the Work materially changes the Contract Amount; or (iii) ENGIE Services U.S. has other reasonable concerns regarding County's ability to fulfill its payment obligations under this Contract when due. County will furnish such proof as a condition precedent to commencement or continuation of the Work or the portion of the Work affected by a material change. After County furnishes any such proof, County will not materially vary such financial arrangements without prior consent of ENGIE Services U.S. If County fails to provide ENGIE Services U.S. with such proof within ten (10) calendar days of receiving a demand from ENGIE Services U.S., ENGIE Services U.S. will be entitled to suspend its performance under this Contract until such proof is received.

ARTICLE 3. PROJECT IMPLEMENTATION - GENERAL

Section 3.01 Registrations, Permits and Approvals.

(a) Prior to issuing the Notice to Proceed, County must register the Project with the California Department of Industrial Relations, using Form PWC-100.

(b) ENGIE Services U.S. is responsible for obtaining (but not paying for) all Applicable Permits required under this Contract. County will cooperate fully with and assist ENGIE Services U.S. in obtaining Applicable Permits.

(c) County is responsible for paying for all permit fees (including expedited plan check fees), inspections, and certifications costs, including any additional work that may be required by the Authority(ies) Having Jurisdiction as part of the permitting process.

(d) County is responsible for hiring and paying for all inspectors, site testing (including geotechnical observations) and laboratory testing.

(e) County is responsible for paying for all utility interconnection(s) costs, including any additional work that may be required by the Utility(ies) as part of the Interconnection Agreement(s).

(f) County is responsible for obtaining and paying for any annual operating permits and approvals or exemptions required by CEQA, as applicable.

Section 3.02 Coordination. County will be responsible for coordinating the activities of ENGIE Services U.S. and ENGIE Services U.S.'s subcontractors and suppliers with those of County Persons.

Section 3.03 Project Meetings/Status Updates. During the course of the Work, ENGIE Services U.S. will periodically meet with County to report on the general status and progress of the Work. ENGIE Services U.S. may (but is not required to) make food and beverage items of nominal value available to County and County's employees and agents at such meetings, which if offered will be deemed part of the Scope of Work and included in the Contract Amount.

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Section 3.04 Project Location Access. County hereby grants to ENGIE Services U.S., without cost to ENGIE Services U.S., all rights of ingress and egress at the Project Location, necessary for ENGIE Services U.S. to perform the Work and provide all services contemplated by this Contract. ENGIE Services U.S. will provide twenty-four-hour advance notice to County for access to any County Facilities. All persons entering the Project Location, including County and its employees and agents, must follow ENGIE Services U.S.'s safety procedures. ENGIE Services U.S. may (but is not required to) make transportation available to County and County's employees and agents between and within Project Locations, which if offered will be deemed part of the Scope of Work and included in the Contract Amount.

Section 3.05 Consents; Cooperation. Whenever a Party's consent, approval, satisfaction, or determination will be required or permitted under this Contract, and this Contract does not expressly state that the Party may act in its sole discretion, such consent, approval, satisfaction, or determination will not be unreasonably withheld, qualified, conditioned, or delayed, whether or not such a "reasonableness" standard is expressly stated in this Contract. Whenever a Party's cooperation is required for the other Party to carry out its obligations hereunder, each Party agrees that it will act in good faith and reasonably in so cooperating with the other Party or its designated representatives or assignees or subcontractors. Each Party will furnish decisions, information, and approvals required by this Contract in a timely manner so as not to delay the other Party's performance under this Contract.

Section 3.06 Independent Contractor. The Parties hereto agree that ENGIE Services U.S., and any agents and employees of ENGIE Services U.S., its subcontractors and/or consultants, is acting in an independent capacity in the performance of this Contract, and not as a public official, officer, employee, consultant, or agent of County for purposes of conflict of interest laws or any other Applicable Law.

ARTICLE 4. FINAL DESIGN PHASE – CONSTRUCTION DOCUMENTS / EQUIPMENT PROCUREMENT

Section 4.01 General Provisions.

(a) After receipt of the Notice to Proceed, ENGIE Services U.S. will proceed with the preparation of any necessary designs, drawings, and specifications related to the Scope of Work.

(b) After completion of the design phase and approval of the final plans and specifications by County, ENGIE Services U.S. will order the equipment identified in the Scope of Work, and any other necessary materials and supplies in order to meet the project schedule.

(c) County will designate a single-point representative with whom ENGIE Services U.S. may consult on a reasonable, regular basis and who is authorized to act on County's behalf with respect to the Project design. County's representative will render decisions in a timely manner with regard to any documents submitted by ENGIE Services U.S. and to other requests made by ENGIE Services U.S. in order to avoid delay in the orderly and sequential progress of ENGIE Services U.S.'s design services.

(d) Within ten (10) Business Days after ENGIE Services U.S.'s request, County will:

(i) furnish all surveys or other information in County's possession that describe the physical characteristics, legal limitations, and utility locations in and around the Project Location;

(ii) disclose any prior environmental review documentation and all information in its possession concerning subsurface conditions, including without limitation the existence of any known Hazardous Substances, in or around the general area of the Project Location;

(iii) supply ENGIE Services U.S. with all relevant information in County's possession, including any as-built drawings and photographs, of prior construction undertaken at the Project Location;

(iv) obtain any and all easements, zoning variances, planning approvals, including any resolution of any environmental impact issues, and any other legal authorization regarding utilization of the Project Location for the execution of the Work; and

(v) obtain any and all title reports for those Project Locations reasonably requested by ENGIE Services U.S.

(e) All information furnished pursuant to this Section 4.01 will be supplied at County's expense, and ENGIE Services U.S. will be entitled to rely upon the accuracy and completeness of all information provided. If ENGIE Services U.S. is adversely affected by any failure to provide, or delay in providing, the information specified in Section 4.01(d), ENGIE Services U.S. will be entitled to an equitable extension of time and/or an equitable adjustment in the Contract Amount.

(f) If any information disclosed under this Section 4.01 gives rise to a Change to the Work or an Excusable Event, ENGIE Services U.S. will notify County. The Parties will meet and confer with respect to those Changes, and ENGIE Services U.S. will be entitled to an equitable extension of time and/or an equitable adjustment in the Contract Amount. If the Parties, however, are unable to agree on whether County's disclosed information gives

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rise to a Change to the Work or an Excusable Event, those disputes are to be resolved in accordance with ARTICLE 19.

(g) ENGIE Services U.S. contemplates that it will not encounter any Hazardous Substances at the Project Location, except as has been disclosed as a pre-existing condition by County prior to the Contract Effective Date. However, any disclosure of Hazardous Substances that will affect the performance of the Work after the Contract Effective Date will constitute a valid basis for a Change Order.

Section 4.02 Review of Construction Documents. ENGIE Services U.S. will prepare and submit all drawings and specifications to County for review. County will review the documents and provide any comments in writing to ENGIE Services U.S. within ten (10) Business Days after receipt of the documents. ENGIE Services U.S. will incorporate appropriate County comments into the applicable drawings and specifications. ENGIE Services U.S. reserves the right to issue the drawings and specifications in phases to allow Construction to be performed in phases. If County fails to provide written comments within the ten (10) Business Day period, County will be deemed to have no comments regarding the documents.

Section 4.03 Permits. The respective obligations of the Parties in obtaining inspections and permits are as specified in Section 3.01. County will agree to any nonmaterial changes to the designs, drawings, and specifications required by any Governmental Authority. The Contract Amount must be increased by any additional cost incurred by ENGIE Services U.S. due to a Change required by a Governmental Authority and the time required to complete the Work must be increased by the number of additional days required to complete the Work because of a Change imposed by a Governmental Authority.

Section 4.04 Changes During Final Design Phase. If during the design phase an Excusable Event occurs, ENGIE Services U.S. shall have the right to submit a Change Order Request for an equitable extension of time and/or an equitable adjustment in the Contract Amount.

ARTICLE 5. CONSTRUCTION PHASE

Section 5.01 General Provisions. Upon securing the requisite Applicable Permits pursuant to Section 3.01, and completion of Construction Documents, ENGIE Services U.S. will commence the construction of the Project in accordance with the Construction Documents. The construction will be performed in accordance with all Applicable Laws and Applicable Permits, by ENGIE Services U.S. and/or one or more licensed subcontractors qualified to perform the Work.

Section 5.02 ENGIE Services U.S.'s Responsibilities during Construction Phase.

(a) As an independent contractor to County, ENGIE Services U.S. will provide, or cause to be provided by its subcontractor(s), all labor, materials, equipment, tools, transportation, and other facilities and services necessary for the proper execution, construction, and completion of the Work. ENGIE Services U.S. will purchase in advance all necessary materials and supplies for the construction of the Project in order to assure the prompt and timely delivery of the completed Work pursuant to the project schedule. ENGIE Services U.S. will also be responsible for all means, methods, techniques, sequences, and procedures required by the Construction Documents.

(b) ENGIE Services U.S. will make commercially reasonable efforts to coordinate construction activities and perform the Work to minimize disruption to County's operations at the Project Location. ENGIE Services U.S. will provide at least fifteen (15) calendar days' written notice to County of any planned power outages that will be necessary for the construction. ENGIE Services U.S. will cooperate with County in scheduling such outages, and County agrees to provide its reasonable approval of any scheduled outage.

(c) ENGIE Services U.S. will initiate and maintain a safety program in connection with its Construction of the Project. ENGIE Services U.S. will take reasonable precautions for the safety of, and will provide reasonable protection to prevent damage, injury, or loss to: (i) employees of ENGIE Services U.S. and subcontractors performing Work under this Contract; (ii) ENGIE Services U.S.'s property and other materials to be incorporated into the Project, under the care, custody, and control of ENGIE Services U.S. or its subcontractors; and (iii) other property at or adjacent to the Project Location not designated for removal, relocation, or replacement during the course of construction. ENGIE Services U.S. will not be responsible for County's employees' safety unless ENGIE Services U.S.'s negligence in the performance of its Work is the proximate cause of the employee's injury.

(d) ENGIE Services U.S. will provide notice to County of scheduled test(s) of installed equipment, if any, and County and/or its designees will have the right to be present at any or all such tests conducted by ENGIE Services U.S., any subcontractor, and/or manufacturers of the equipment.

(e) Pursuant to California Labor Code §6705, if the Work is a public work involving an estimated expenditure in excess of $25,000 and includes the excavation of any trench or trenches five (5) feet or more in depth, ENGIE Services U.S. will, in advance of excavation, submit to County and/or a registered civil or structural engineer,

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employed by County, to whom authority to accept has been delegated, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches, which provisions will be no less effective than the current and applicable CAL-OSHA Construction Safety Orders. No excavation of such trench or trenches may be commenced until this detailed plan has been accepted by County or by the person to whom authority to accept has been delegated by County. Pursuant to California Labor Code §6705, nothing in this Section 5.02(e) imposes tort liability on County or any of its employees.

(f) Pursuant to California Public Contract Code §7104, if the Work is a public work involving digging trenches or other excavations that extend deeper than four (4) feet below the surface of the ground:

(i) ENGIE Services U.S. will promptly, and before the following conditions are disturbed, notify County, in writing, of any:

1) Material that ENGIE Services U.S. believes may be material that is hazardous waste, as defined in California Health and Safety Code §25117, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law;
2) Subsurface or latent physical conditions at the site differing from those indicated by information about the site made available to ENGIE Services U.S. before the Contract Effective Date;
3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Contract.

(ii) County will promptly investigate the conditions and, if it finds that the conditions do materially so differ or do involve hazardous waste, and cause a decrease or increase in ENGIE Services U.S.'s cost of, or the time required for, performance of any part of the Work will issue a Change Order under the procedures described in this Contract.

(iii) If a dispute arises between County and ENGIE Services U.S., whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in ENGIE Services U.S.'s cost of, or time required for, performance of any part of the Work, ENGIE Services U.S. will not be excused from any scheduled completion date provided for by this Contract but will proceed with all Work to be performed under this Contract. ENGIE Services U.S. will retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the Parties.

Section 5.03 County's Responsibilities during Construction Phase.

(a) County will designate a single-point representative authorized to act on County's behalf with respect to Project construction and/or equipment installation. County may from time to time change the designated representative and will provide written notice to ENGIE Services U.S. of such change. Any independent review of the construction will be undertaken at County's sole expense, and will be performed in a timely manner so as to not unreasonably delay the orderly progress of ENGIE Services U.S.'s Work.

(b) County will provide a temporary staging area for ENGIE Services U.S., or its subcontractors, to use during the construction phase to store and assemble equipment for completion of the Work, if needed. County will provide sufficient space at the Facilities for the performance of the Work and the storage, installation, and operation of any equipment and materials and will take reasonable steps to protect any such equipment and materials from harm, theft and misuse. County will provide access to the Facilities, including parking permits and identification tags, for ENGIE Services U.S. and subcontractors to perform the Work during regular business hours, or such other reasonable hours as may be requested by ENGIE Services U.S. and acceptable to County. County will also either provide a set or sets of keys to ENGIE Services U.S. and its subcontractors (signed out per County policy) or provide a readily available security escort to unlock and lock doors. County will not unreasonably restrict ENGIE Services U.S.'s access to Facilities to make emergency repairs or corrections as ENGIE Services U.S. may determine are needed.

(c) County will maintain the portion of the Project Location that is not directly affected by ENGIE Services U.S.'s Work. County will keep the designated Project Location and staging area for the Project free of obstructions, waste, and materials within the control of County.

(d) County will obtain any required environmental clearance from, and any inspections, including special inspections, or permits required by, any federal, state, and local jurisdictions, including but not limited to any clearances required under CEQA, prior to scheduled construction start date.

(e) County will prepare the Project Location for construction, including, but not limited to, clearance of all above and below ground obstructions, such as vegetation, buildings, appurtenances, and utilities. Subsurface conditions and obstacles (buried pipe, utilities, etc.) that are not otherwise previously and accurately documented by

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County and such documentation made available to ENGIE Services U.S. are the responsibility of County. If ENGIE Services U.S. encounters such unforeseen conditions in the performance of the Work, ENGIE Services U.S. will be entitled to an equitable extension of time and/or an equitable adjustment in the Contract Amount.

(f) County will remove any Hazardous Substances either known to County prior to the commencement of the Work or encountered by ENGIE Services U.S. during the construction of the Project, if necessary in order for the Work to progress safely, that were not knowingly released or brought to the site by ENGIE Services U.S. ENGIE Services U.S. will respond to the discovery of Hazardous Substances at or around the Project Location during the course of ENGIE Services U.S.'s construction in accordance with Section 5.06.

(g) County will coordinate the Work to be performed by ENGIE Services U.S. with its own operations and with any other construction project that is ongoing at or around the Project Location, with the exception that ENGIE Services U.S. will coordinate the Interconnection Facilities work, if any, which will be performed by the local utility.

(h) County will, and will cause County Persons to, allow ENGIE Services U.S. and its subcontractors access to and reasonable use of necessary quantities of County's water and other utilities, including electrical power, as needed for the construction of the Work, at no cost to ENGIE Services U.S.

(i) County will, and will cause County Persons to, provide ENGIE Services U.S. and/or its subcontractors with reasonable access to the Project Location to perform the Work, including without limitation and at no extra cost to ENGIE Services U.S., access to perform Work on Saturdays, Sundays, legal holidays, and non-regular working hours.

(j) County will also do the following:

(i) Attend the regularly scheduled progress meetings. Participate as needed regarding scheduling of the Work.

(ii) When requested by ENGIE Services U.S., participate in the job inspection walk-through with ENGIE Services U.S. to determine Substantial Completion or Beneficial Use of major equipment, and will sign the Certificate(s) of Substantial Completion.

(iii) Perform a final walk-through of the Project and, upon receipt of the operation and maintenance manuals and as-built drawings, sign the Certificate of Final Completion for the related Work.

(iv) Upon the completion of the entire Scope of Work listed in Attachment C, including training, if any, and submission of close-out documents, sign a Certificate of Final Completion for the entire Project.

Section 5.04 Changes.

(a) Change Orders Generally. Changes and/or modifications to the Scope of Work will be authorized by a written Change Order. The Change Order should state the change and/or modification to the Scope of Work, any additional compensation to be paid, and any applicable extension of time. ENGIE Services U.S. may, at its election, suspend performance of that portion of the Work affected by any proposed Change until a written Change Order with respect to the Changed or modified Work has been signed by both County and ENGIE Services U.S. ENGIE Services U.S. will use its reasonable efforts to continue other portions of the Work not affected or impacted by such proposed Change until such time as the applicable Change Order is resolved. In addition, if any County Person requests a proposal from ENGIE Services U.S. for a Change and County subsequently elects to not proceed with such Change, County agrees that a Change Order will be issued to reimburse ENGIE Services U.S. for any costs reasonably incurred for estimating services, design services, and/or preparation of the proposal requested by such County Person.

(b) Change Orders Requiring Additional Compensation. If during construction any County Person requests changes and/or modifications to the Work, and/or there are Excusable Events, ENGIE Services U.S. shall have the right to submit a Change Order Request for the extra costs caused by such modifications and/or changes and/or Excusable Event. ENGIE Services U.S. will be entitled to submit a Change Order Request for additional compensation. Notwithstanding the foregoing, if there are unforeseen site conditions resulting in an increase in costs that are not related to inspections, testing, or ADA work, ENGIE Services U.S. shall not be entitled to additional compensation unless and until such costs exceed Three Hundred Twenty Thousand Seven Hundred and Six Dollars ($320,706.00). ENGIE Services U.S. shall track all increased costs related to the unforeseen site conditions subject to this restriction by submitting Change Order Requests, as necessary, but such Change Order Requests shall not result in a Change Order until the costs exceed the amount set forth in the preceeding sentence. For the avoidance of doubt, all costs in excess of such amount shall be subject to the standard Change Order procedure and may entitle ENGIE Services U.S. to a Change Order for increased compensation.

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(c) Change Orders Requiring Additional Time. If during construction any County Person requests changes and/or modifications to the Scope of Work and/or an Excusable Event occurs, the Parties agree that an equitable extension of time to complete the Work may be necessary. Prior to any extension of time, ENGIE Services U.S. will use commercially reasonable efforts to make up such delays, including authorizing overtime payments; *provided* that County has issued a Change Order authorizing any such overtime payment and has specifically agreed to pay all costs, including administrative charges and expenses, associated therewith.

(d) Method for Adjustment. An increase or decrease in the Contract Amount and/or time resulting from a Change in the Work and/or Excusable Event must be determined by one or more of the following methods:

(i) unit prices set forth in this Contract or as subsequently agreed;

(ii) a mutually accepted, itemized lump sum; or

(iii) costs calculated on a basis agreed upon by County and ENGIE Services U.S. plus a fee (either a lump sum or a fee based on a percentage of cost) to which the Parties agree.

(e) Disagreements. If there is a disagreement between County and ENGIE Services U.S. as to whether ENGIE Services U.S. is entitled to an equitable extension of time and/or an equitable adjustment in the Contract Amount, those disputes are to be resolved in accordance with the provisions of ARTICLE 19. Pending the resolution of any such dispute, ENGIE Services U.S. may suspend Work.

Section 5.05 Minor Changes to Scope of Work. ENGIE Services U.S. has the authority to make minor changes that do not change the total Contract Amount and are consistent with the intent of the Construction Documents, without prior notice to County. ENGIE Services U.S. will either promptly inform County, in writing, of any minor changes made during the implementation of the Project, or make available to County at the site a set of as-built drawings that will be kept current to show those minor changes.

Section 5.06 Hazardous Substances.

(a) ENGIE Services U.S. will promptly provide written notice to County if ENGIE Services U.S. observes any Hazardous Substance, as defined herein, at or around the Facilities during the course of construction or installation of any equipment which have not been addressed as part of the Scope of Work. ENGIE Services U.S. will have no obligation to investigate the Facilities for the presence of Hazardous Substances prior to commencement of the Work unless otherwise specified in the Scope of Work. County will be solely responsible for investigating Hazardous Substances and determining the appropriate removal and remediation measures with respect to the Hazardous Substances. County will comply with all Applicable Laws with respect to the identification, removal and proper disposal of any Hazardous Substances known or discovered at or around the Facilities, and in such connection will execute all generator manifests with respect thereto. ENGIE Services U.S. will comply with all Applicable Laws in connection with the use, handling, and disposal of any Hazardous Substances in the performance of its Work. In connection with the foregoing, County will provide ENGIE Services U.S., within ten (10) Business Days after the Contract Effective Date, a written statement that represents and warrants (i) whether or not, to its knowledge, there are Hazardous Substances either on or within the walls, ceiling or other structural components, or otherwise located in the Project Location, including, but not limited to, asbestos-containing materials; (ii) whether or not, to its knowledge, conditions or situations exist at the Facilities which are subject to special precautions or equipment required by federal, state, or local health or safety regulations; and (iii) whether or not, to its knowledge, there are unsafe working conditions at the Facilities.

(b) County will indemnify, defend, and hold ENGIE Services U.S. harmless from and against any and all Losses that in any way result from, or arise under, such County owned or generated Hazardous Substances, except for liabilities to the extent due to the negligence or willful misconduct of ENGIE Services U.S., or its subcontractors, agents or representatives, in the handling, disturbance or release of Hazardous Substances. This indemnification will survive any termination of this Contract.

Section 5.07 Pre-Existing Conditions. Certain pre-existing conditions may be present within the Facilities that (i) are non-compliant with applicable codes, (ii) may become non-compliant with applicable codes upon completion of ENGIE Services U.S.'s Work, (iii) may cause ENGIE Services U.S.'s completed Work to be non-compliant with applicable codes, (iv) may prevent County from realizing the full benefits of ENGIE Services U.S.'s Work, (v) may present a safety or equipment hazard, or (vi) are otherwise outside the scope of ENGIE Services U.S.'s Work. Regardless of whether or not such conditions may have been readily identifiable prior to the commencement of Work, ENGIE Services U.S. will not be responsible for repairing such pre-existing conditions unless such responsibility is expressly provided for in the Scope of Work or an approved Change Order. ENGIE Services U.S., in its sole discretion, may determine whether it will bring said pre-existing conditions into compliance by agreeing to execute a Change Order with County for additional compensation and, if appropriate, an extension of time.

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ARTICLE 6. PROJECT COMPLETION

Section 6.01 Occupancy or Use of Work. County may take occupancy or use of any completed or partially completed portion of the Work at any stage, whether or not such portion is Substantially Complete, *provided* that such occupancy or use is authorized by Governmental Authority and, *provided further*, that County assumes responsibility for the security of, insurance coverage for, maintenance, utilities for, and damage to or destruction of such portion of the Work. If Substantial Completion of a portion of the Construction Work is not yet achieved, occupancy or use of such portion of the Work will not commence until County's insurance company has consented to such occupancy or use. When occupancy or use of a portion of the Work occurs before Substantial Completion of such portion, County and ENGIE Services U.S. will accept in writing the responsibilities assigned to each of them for title to materials and equipment, payments and Retention with respect to such portion.

Section 6.02 Substantial Completion. When ENGIE Services U.S. considers the Work, or any portion thereof, to be Substantially Complete, ENGIE Services U.S. will supply to County a written Certificate of Substantial Completion with respect to such portion of the Work, including a Punch List of items and the time for their completion or correction. County will within ten (10) Business Days of receipt of the Certificate of Substantial Completion, review such portion of the Work for the sole purpose of determining that it is Substantially Complete, and sign and return the Certificate of Substantial Completion to ENGIE Services U.S. acknowledging and agreeing: (i) that such portion of the Work is Substantially Complete; (ii) the date of such Substantial Completion; (iii) that from the date of Substantial Completion County will assume responsibility for the security of, insurance coverage for, maintenance, utilities for, and damage to or destruction of such portion of the Work. County agrees that approval of a Certificate of Substantial Completion will not be unreasonably withheld, delayed or conditioned.

Section 6.03 Final Completion. When ENGIE Services U.S. considers the entirety of the Work to be Finally Complete, ENGIE Services U.S. will notify County that the Work is fully complete and ready for final inspection. County will inspect the Work to verify the status of Final Completion within ten (10) Business Days after its receipt of ENGIE Services U.S.'s certification that the Work is complete. If County does not verify the Final Completion of the Work within this period, the Work will be deemed fully completed. When County agrees that the Work is fully completed, ENGIE Services U.S. will issue a Certificate of Final Completion, which County must sign. County agrees that its signing of the Certificate of Final Completion will not be unreasonably withheld, delayed or conditioned. At that time, County will pay ENGIE Services U.S. any remaining Contract Amount due and any outstanding Retention being withheld by County, in accordance with Section 8.03. County may give ENGIE Services U.S. written notice of acceptance of the Work and will promptly record a notice of completion or notice of acceptance in the office of the county recorder in accordance with California Civil Code §9204.

Section 6.04 Transfer of Title; Risk of Loss. Title to all or a portion of the Project equipment, supplies and other components of the Construction Work will pass to County upon the earlier of (i) the date payment for such Project equipment, supplies or components is made by County or (ii) the date any such items are incorporated into the Project Location. ENGIE Services U.S. will retain care, custody and control and risk of loss of such Project equipment, supplies and components until the earlier of Beneficial Use or Substantial Completion. Transfer of title to County will in no way affect County's and ENGIE Services U.S.'s rights and obligations as set forth in other provisions of this Contract. Except as provided in this Section 6.04, after the date of Substantial Completion, ENGIE Services U.S. will have no further obligations or liabilities to County arising out of or relating to this Contract, except for the obligation to complete any Punch List items, the obligation to perform any warranty service under Section 9.01, and obligations which, pursuant to their terms, survive the termination of this Contract.

ARTICLE 7. SUBCONTRACTORS

Section 7.01 Authority to Subcontract. ENGIE Services U.S. may delegate its duties and performance under this Contract, and has the right to enter into agreements with any subcontractors and other service or material providers as ENGIE Services U.S. may select in its discretion to perform the Work. ENGIE Services U.S. will not be required to enter into any subcontracts with parties whom ENGIE Services U.S. has not selected or subcontractors whom ENGIE Services U.S. has objection to using.

Section 7.02 Prompt Payment of Subcontractors. ENGIE Services U.S. will promptly pay, when due, all amounts payable for labor and materials furnished in the performance of this Contract and will endeavor to prevent any lien or other claim under any provision of Applicable Law from arising against any County property, against ENGIE Services U.S.'s rights to payments hereunder, or against County.

Section 7.03 Relationship. Nothing in this Contract constitutes or will be deemed to constitute a contractual relationship between any of ENGIE Services U.S.'s subcontractors and County, or any obligation on the part of County to pay any sums to any of ENGIE Services U.S.'s subcontractors.

Section 7.04 Prevailing Wages. To the extent required by California Labor Code §1771 or other Applicable Law, all employees of ENGIE Services U.S. and ENGIE Services U.S.'s subcontractors performing Work at the Project Location will be paid the per diem prevailing wages for the employee's job classification in the locality in which the Work is performed. In accordance with California Labor Code §§1773 and 1773.2, County will obtain from the Director of

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Industrial Relations the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work, in the locality in which the Work is to be performed, for each craft, classification or type of worker needed to execute the Work at the Project Location, and will cause copies of such determinations to be kept on file at its principal office and posted at each Project Location. County will promptly notify ENGIE Services U.S. of any changes to any such prevailing wage determination.

ARTICLE 8. PAYMENTS

Section 8.01 Monthly Progress Payments. Promptly after receipt of County's Notice to Proceed, ENGIE Services U.S. will invoice County for a mobilization payment in the amount of One Million Eighty-Nine Thousand Seven Hundred Six Dollars Three Million Four Hundred Three Thousand Seven Hundred Eighty Dollars ($1,089,706.00). This amount must be paid to ENGIE Services U.S. within forty five (45) calendar days after County's receipt of an invoice therefor. County acknowledges that prior to the Contract Effective Date, ENGIE Services U.S. procured solar panels on County's behalf to be installed at the Project Locations. Immediately upon the Contract Effective Date, ENGIE Services U.S. will invoice County for an additional Six Hundred Eighteen Thousand Two Hundred Thirty-Four Dollars ($618,234.00) ("IRA Safe Harbor Payment"). The IRA Safe Harbor Payment must be paid to ENGIE Services U.S. no later than December 31, 2024. Title to the equipment will pass to County upon payment in full of the IRA Safe Harbor Payment invoice. In addition, as the Work progresses, ENGIE Services U.S. will submit to County its applications for monthly payments based on the progress made on the Project through the date on which ENGIE Services U.S. submits such Application for Payment. A schedule of values apportioned to the various divisions or phases of the Work ("Schedule of Values") is attached hereto as Attachment G. Each line item contained in the Schedule of Values will be assigned a value such that the total of all items equals the Contract Amount. All Applications for Payment will be in accordance with the Schedule of Values.

Section 8.02 Materials Stored Off-Site. In addition to the monthly progress payments specified in Section 8.01, ENGIE Services U.S. may invoice County for materials purchased in advance and not stored at the Project Location. Each such Application for Payment will be accompanied by proof of off-site material purchases, including quantities and model numbers, evidence that the materials have been delivered to a warehouse reasonably acceptable to County and evidence of appropriate insurance coverage. ENGIE Services U.S. will furnish to County written consent from the Surety approving the advance payment for materials stored off site. County will pre-pay one hundred percent (100%) of ENGIE Services U.S.'s Application for Payment for the materials delivered, less Retention as indicated in Section 8.03. ENGIE Services U.S. will protect stored materials from damage. Damaged materials, even though paid for, will not be incorporated into the Work.

Section 8.03 Retention. County, or its designee, must approve and pay each Application for Payment, less a retention amount ("Retention") of five percent (5%) in accordance with California Public Contract Code §7201, within forty-five (45) calendar days after its receipt of the Application for Payment; *provided, however,* that there is to be no Retention with respect to the mobilization payment or the IRA Safe Harbor Payment. A failure to approve and pay an Application for Payment in a timely manner is a material default by County under this Contract. County may make progress payments in full without Retention at any time after fifty percent (50%) of the Work has been completed, as permitted pursuant to California Public Contract Code §9203. Upon Substantial Completion, the Retention must be reduced to two percent (2%) of the Contract Amount, and ENGIE Services U.S. may invoice and County will pay this amount. County will pay ENGIE Services U.S. the remaining two percent (2%) Retention amount upon achieving Final Completion. In lieu of Retention being held by County, ENGIE Services U.S. may request that securities be substituted or Retention be held in an escrow account pursuant to California Public Contract Code §22300.

Section 8.04 Final Payment. The final Application for Payment may be submitted after Final Completion. The final payment amount must also include payment to ENGIE Services U.S. for any remaining Retention withheld by County, which shall be paid within sixty (60) days of receipt of the final Application for Payment.

Section 8.05 Disputed Invoices/Late Payments. County may in good faith dispute any Application for Payment, or part thereof, within fifteen (15) calendar days after the date the Application for Payment was received by County. If County disputes all or a portion of any Application for Payment, County will pay the undisputed portion when due and provide ENGIE Services U.S. a written notice and explanation of the basis for the dispute and the amount of the Application for Payment being withheld related to the dispute. County will be deemed to have waived and released any dispute known to it with respect to an Application for Payment if such notice and written explanation is not provided within fifteen (15) calendar days after the date the Application for Payment was received by County. If any amount disputed by County is finally determined to be due to ENGIE Services U.S., either by agreement between the Parties or as a result of dispute resolution pursuant to ARTICLE 19 below, it will be paid to ENGIE Services U.S. within ten (10) Business Days after such final determination, plus Interest from the date billed or claimed until such amount is paid. . Late payments will accrue Interest from the due date until paid.

Section 8.06 Rebate Programs. ENGIE Services U.S. makes no guarantee that County will receive funding from any energy efficiency rebate, incentive, and/or loan program(s), including the Inflation Reduction Act (collectively, "Incentive Funds), or any portion thereof; ENGIE Services U.S. expressly disclaims any liability for County's failure to receive any portion of the Incentive Funds, and County acknowledges and agrees that ENGIE Services U.S. will have no

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liability for any failure to receive all or any portion of the Incentive Funds. Procurement, or lack thereof, of the Incentive Funds will not alter the Contract Amount of this Contract or the payment timeline associated with payment of the Contract Amount.

ARTICLE 9. WARRANTY / LIMITATION OF LIABILITY

EXCEPT FOR THE WARRANTIES PROVIDED IN THIS ARTICLE 9, ENGIE SERVICES U.S. MAKES NO WARRANTIES IN CONNECTION WITH THE WORK PROVIDED UNDER THIS CONTRACT, WHETHER EXPRESS OR IMPLIED IN LAW, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ANY IMPLIED WARRANTIES AGAINST INTELLECTUAL PROPERTY INFRINGEMENT. COUNTY WILL HAVE NO REMEDIES AGAINST EITHER ENGIE SERVICES U.S. OR ANY ENGIE SERVICES U.S. SUBCONTRACTOR OR VENDOR FOR ANY DEFECTIVE MATERIALS OR EQUIPMENT INSTALLED, EXCEPT FOR THE REPAIR OR REPLACEMENT OF SUCH MATERIALS OR EQUIPMENT IN ACCORDANCE WITH THE WARRANTIES INDICATED BELOW. SPECIFICALLY, NEITHER ENGIE SERVICES U.S., NOR ENGIE SERVICES U.S.'s SUBCONTRACTORS OR VENDORS, WILL BE LIABLE TO COUNTY FOR LOSS OF PROFITS OR FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY.

Section 9.01 ENGIE Services U.S. warrants to County that material and equipment furnished under this Contract will be of good quality and new, unless otherwise specifically required or permitted by this Contract. ENGIE Services U.S. further warrants that its workmanship provided hereunder, including its subcontractors' workmanship, will be free of material defects for a period of one (1) year from the date of Substantial Completion as indicated on the executed Certificate of Substantial Completion, or the date of Beneficial Use as indicated on the executed Certificate of Beneficial Use ("ENGIE Services U.S. Warranty"). Notwithstanding the preceding sentence, the date the ENGIE Services U.S. Warranty commences with respect to a specific piece or pieces of equipment may be further defined in Attachment C.

Section 9.02 Equipment and material warranties that exceed the ENGIE Services U.S. Warranty period will be provided directly by the equipment and/or material manufacturers and such warranties will be assigned directly to County, after the one (1) year period. During the ENGIE Services U.S. Warranty period, ENGIE Services U.S. will be County's agent in working with the equipment and material manufacturers in resolving any equipment or material warranty issues. If any material defects are discovered within the ENGIE Services U.S. Warranty period, ENGIE Services U.S., or ENGIE Services U.S.'s subcontractors, will correct its defects, and/or ENGIE Services U.S. will work with the equipment or material manufacturer as County's agent to facilitate the manufacturer's correction of the equipment or material defect. Such warranty services will be performed in a timely manner and at the reasonable convenience of County. If a warranty issue arises on any equipment or material installed after the ENGIE Services U.S. Warranty period, and the equipment or material has a warranty period that exceeds one (1) year, County will contact the manufacturer directly to resolve such warranty issues and County acknowledges that the manufacturer will have sole responsibility for such issues.

Section 9.03 The warranties in this ARTICLE 9 expressly exclude any remedy for damage or defect caused by improper or inadequate maintenance of the installed equipment by service providers other than ENGIE Services U.S. or its subcontractors, corrosion, erosion, deterioration, abuse, modifications or repairs not performed by an authorized ENGIE Services U.S. subcontractor, improper use or operation, or normal wear and tear under normal usage. ENGIE Services U.S. shall not be responsible for the cost of correcting a breach of warranty or defect to the extent that the manufacturer of the equipment that is the subject of a warranty hereunder does not honor its equipment warranty as a result of its termination of operations, insolvency, liquidation, bankruptcy or similar occurrence. Unless otherwise specified, all warranties hereunder, including without limitation those for defects, whether latent or patent, in design, engineering, or construction, will terminate one (1) year from the date of Substantial Completion or Beneficial Use; and thereafter, ENGIE Services U.S. will have no liability for breach of any warranty or for any latent or patent defect of any kind pursuant to California Code of Civil Procedure §§337.1 and 337.15.

Section 9.04 County and ENGIE Services U.S. have discussed the risks and rewards associated with this Project, as well as the Contract Amount to be paid to ENGIE Services U.S. for performance of the Work. County and ENGIE Services U.S. agree to allocate certain of the risks so that, to the fullest extent permitted by Applicable Law, ENGIE Services U.S.'s total aggregate liability to County and all third parties is limited to the Contract Amount for any and all injuries, damages, claims, losses, expenses, or claim expenses (including attorney's fees) arising out of this Contract from any cause or causes. Such causes include, but are not limited to, negligence, errors, omissions, strict liability, breach of contract, or breach of warranty.

ARTICLE 10. OWNERSHIP OF CERTAIN PROPERTY AND EXISTING EQUIPMENT

Section 10.01 Ownership of Certain Proprietary Property Rights.

(a) Ownership: Except as expressly provided in this Contract, County will not acquire, by virtue of this Contract, any rights or interest in any formulas, patterns, devices, software, inventions or processes, copyrights, patents, trade secrets, other intellectual property rights, or similar items of property which are or may be used in connection

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with the Work. ENGIE Services U.S. will own all inventions, improvements, technical data, models, processes, methods, and information and all other work products developed or used in connection with the Work, including all intellectual property rights therein.

(b) License: Solely in connection with the Facilities, ENGIE Services U.S. grants to County a limited, perpetual, royalty-free, non-transferrable license for any ENGIE Services U.S. intellectual property rights necessary for County to operate, maintain, and repair any modifications or additions to Facilities, or equipment delivered, as a part of the Work.

(c) Ownership and Use of Instruments of Service. All data, reports, proposals, plans, specifications, flow sheets, drawings, and other products of the Work (the "Instruments of Service") furnished directly or indirectly, in writing or otherwise, to County by ENGIE Services U.S. under this Contract will remain ENGIE Services U.S.'s property and may be used by County only for the Work. ENGIE Services U.S. will be deemed the author and owner of such Instruments of Service and will retain all common law, statutory and other reserved rights, including copyrights. The Instruments of Service may not be used by County or any County Person for future additions or alterations to the Project or for other projects, without the prior written agreement of ENGIE Services U.S. Any unauthorized use of the Instruments of Service will be at County's sole risk and without liability to ENGIE Services U.S. If County uses the Instruments of Service for implementation purposes, including additions to or completion of the Project, without the written permission of ENGIE Services U.S., County agrees to waive and release, and indemnify and hold harmless, ENGIE Services U.S., its subcontractors, and their directors, employees, subcontractors, and agents from any and all Losses associated with or resulting from such use.

Section 10.02 Ownership of any Existing Equipment. Ownership of any equipment and materials presently existing at the Facilities on the Contract Effective Date will remain the property of County even if such equipment or materials are replaced or their operation made unnecessary by work performed by ENGIE Services U.S. If applicable, ENGIE Services U.S. will advise County in writing of all equipment and materials that will be replaced at the Facilities and County will, within five (5) Business Days of ENGIE Services U.S.'s notice, designate in writing to ENGIE Services U.S. which replaced equipment and materials should not be disposed of off-site by ENGIE Services U.S. (the "Retained Items"). County will be responsible for and designate the location and storage for the Retained Items. ENGIE Services U.S. will be responsible for the disposal of replaced equipment and materials, except for the Retained Items. ENGIE Services U.S. will use commercially reasonable efforts to remove the Retained Items in such a manner as to avoid damage thereto, or if it is unreasonable to avoid damage altogether, to minimize the damage done. ENGIE Services U.S. will not be responsible for the removal and/or disposal of any Hazardous Substances except as required by the Scope of Work.

ARTICLE 11. INDEMNIFICATION / LIMITATION ON LIABILITY

Section 11.01 Indemnification. To the fullest extent permitted by Applicable Laws, each Party will indemnify, hold harmless, release and defend the other Party, its officers, employees, and agents from and against any and all actions, claims, demands, damages, disabilities, fines, penalties, losses, costs, expenses (including consultants' and attorneys' fees and other defense expenses) and liabilities of any nature ("Losses") that may be asserted by any person or entity, to the extent arising out of that Party's performance or activities hereunder, including the performance or activities of other persons employed or utilized by that Party in the performance of this Contract, excepting liabilities to the extent due to the negligence or willful misconduct of the indemnified party. This indemnification obligation will continue to bind the Parties after the termination of this Contract. This Agreement shall in no way act to abrogate or waive any immunities available to County under the Tort Claims Act of the State of California or California Government Code section 810 et seq.

Section 11.02 Waiver of Consequential Damages and Limitation of Liability. The liability of a defaulting Party will be limited to direct, actual damages. Neither Party shall be liable to the other Party for any special, indirect, incidental or consequential damages whatsoever, whether in contract, tort (including negligence) or strict liability, including, but not limited to, operational losses in the performance of business such as lost profits or revenues or any increase in operating expense.

ARTICLE 12. INSURANCE / BONDS

Section 12.01 ENGIE Services U.S. Insurance. ENGIE Services U.S. will maintain, or cause to be maintained, for the duration of this Contract, the insurance coverage outlined in (a) through (f) below, and all such other insurance as required by Applicable Law. Evidence of coverage will be provided to County via an insurance certificate.

(a) Workers' Compensation/Employers Liability for states in which ENGIE Services U.S. is not a qualified self-insured. Limits as follows:

*	Workers' Compensation:	Statutory
*	Employers Liability:	Bodily Injury by accident $1,000,000 each accident Bodily Injury by disease $1,000,000 each employee Bodily Injury by disease $1,000,000 policy limit

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(b) Commercial General Liability insurance with limits of:

* $2,000,000 each occurrence for Bodily Injury and Property Damage
* $4,000,000 General Aggregate - other than Products/Completed Operations
* $2,000,000 Products/Completed Operations Aggregate
* $2,000,000 Personal and Advertising Injury
* $ 100,000 Damage to premises rented to ENGIE Services U.S.

Coverage to be written on an occurrence form. Coverage to be at least as broad as ISO form CG 0001 (04/13) or its equivalent forms, without endorsements that limit the policy terms with respect to: (1) provisions for severability of interest or (2) explosion, collapse, underground hazard.

(c) Auto Liability insurance for owned, hired and non-owned vehicles with limits of $1,000,000 per accident. Coverage to be written on an occurrence form.

(d) Professional Liability insurance with limits of:

* $1,000,000 per occurrence
* $1,000,000 aggregate

Coverage to be written on a claims-made form.

(e) Umbrella/Excess Liability Insurance. Limits as follows:

* $1,000,000 each occurrence
* $1,000,000 aggregate

Coverage terms and limits to apply excess of the per occurrence and/or aggregate limits provided for Commercial General Liability and Professional Liability written on a claims made form. Coverage terms and limits also to apply in excess of those required for Employers Liability and Auto Liability written on an occurrence form.

(f) Policy Endorsements.

* The insurance provided for Workers' Compensation and Employers' Liability above will contain waivers of subrogation rights against County, but only to the extent of the indemnity obligations contained in this Contract.
* The insurance provided for Commercial General Liability and Auto Liability above will:
  (i) include County as an additional insured with respect to Work performed under this Contract, but only to the extent of the indemnity obligations contained in this Contract, and
  (ii) provide that the insurance is primary coverage with respect to all insureds, but only to the extent of the indemnity obligations contained in this Contract.

Section 12.02 County's Insurance. County will maintain, or cause to be maintained, for the duration of this Contract, the insurance coverage outlined below, and all such other insurance as required by Applicable Law. Evidence of coverage will be provided to ENGIE Services U.S. via an insurance certificate.

(a) Commercial General Liability insurance, written on an occurrence form, with limits of:

* $2,000,000 each occurrence for Bodily Injury and Property Damage; and
* $4,000,000 General Aggregate

(b) The insurance provided for above will contain waivers of subrogation rights against ENGIE Services U.S., but only to the extent of the indemnity obligations contained in this Contract..

Section 12.03 Waivers of Subrogation. The Parties waive all rights against each other and any of their subcontractors, sub-subcontractors, agents and employees, each of the other, for damages caused by fire or other causes of loss to the extent covered by property insurance obtained pursuant to this ARTICLE 12 or other property insurance applicable to the Work, except such rights as they have to proceeds of such insurance. The Parties and their respective property damage insurers also waive all rights of subrogation against the other Party, its directors, officers, agents and employees. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

Section 12.04 Performance and Payment Bonds. Prior to commencing Work under this Contract, ENGIE Services U.S. will furnish a performance bond, in an amount equal to one hundred percent (100%) of the Contract Amount, and a payment bond to guarantee payment of all claims for labor and materials furnished, in an amount equal to one hundred percent (100%) of the Contract Amount (collectively, the "Contract Bonds"). The Contract Bonds shall be

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maintained in full force and effect until Final Completion; provided that upon the achievement of Substantial Completion, the value of the Contract Bonds shall be reduced to the value of the Retainage being withheld by County. The Contract Bonds are not being furnished to cover the performance of any Professional Services, including any energy guaranty or guaranteed savings under this Contract, nor to cover any equipment and/or material manufacturer's warranty or other third-party warranty being assigned to County. County agrees that upon Final Completion and expiration of the ENGIE Services U.S. Warranty period set forth in Article 9 herein, the Contract Bonds shall be returned to ENGIE Services U.S., and all obligations arising thereunder are terminated and the surety company that issued the bond is forever discharged from any and all liabilities of whatever nature arising in connection with the Contract Bonds.

ARTICLE 13. DOE GUIDELINES; ENERGY POLICY ACT

Section 13.01 As authorized by §1605(b) of the Energy Policy Act of 1992 (Pub. L. No. 102-486) the U.S. Department of Energy has issued, and may issue in the future, guidelines for the voluntary reporting of Greenhouse Gas emissions ("DOE Guidelines"). "Greenhouse Gases" means those gases and other particles as defined in the DOE Guidelines. County hereby assigns and transfers to ENGIE Services U.S., and its Affiliates and assigns, any Greenhouse Gas emission reduction credits that result from the Work.

ARTICLE 14. MUNICIPAL ADVISOR / TAX ADVISOR

Section 14.01 THE PARTIES ACKNOWLEDGE AND AGREE THAT ENGIE SERVICES U.S. IS NOT A MUNICIPAL ADVISOR AND CANNOT GIVE ADVICE TO County WITH RESPECT TO MUNICIPAL SECURITIES OR MUNICIPAL FINANCIAL PRODUCTS ABSENT COUNTY BEING REPRESENTED BY, AND RELYING UPON THE ADVICE OF, AN INDEPENDENT REGISTERED MUNICIPAL ADVISOR. ENGIE SERVICES U.S. IS NOT SUBJECT TO A FIDUCIARY DUTY WITH REGARD TO COUNTY OR THE PROVISION OF INFORMATION TO COUNTY. COUNTY WILL CONSULT WITH AN INDEPENDENT REGISTERED MUNICIPAL ADVISOR ABOUT THE FINANCING OPTION APPROPRIATE FOR COUNTY'S SITUATION.

Section 14.02 The Parties acknowledge and agree that ENGIE Services U.S. is not a tax advisor and cannot give advice to County with respect to the Inflation Reduction Act and any funds the County may be eligible for thereunder. County must consult its own tax and legal advisors with regard thereto.

ARTICLE 15. TRADE SECRETS

If any materials or information provided by ENGIE Services U.S. to County under this Contract are designated by ENGIE Services U.S. as a "trade secret" or otherwise exempt from disclosure under the Public Records Act (California Government Code §6250 *et seq.*, the "Act") and if a third party makes a request for disclosure of the materials under the Act, as soon as practical (but not later than five (5) calendar days) after receipt of such request, County will notify ENGIE Services U.S. of such request and advise ENGIE Services U.S. whether County believes that there is a reasonable possibility that the materials may not be exempt from disclosure. Within ten (10) calendar days after a third party's request for disclosure of materials under the Act, ENGIE Services U.S. will (i) authorize County to release the documents or information sought; or (ii) if ENGIE Services U.S. reasonably believes that the information is exempt from disclosure, advise County not to release the materials.

ARTICLE 16. EVENTS OF DEFAULT

Section 16.01 Events of Default by ENGIE Services U.S. Each of the following events or conditions will constitute an "Event of Default" by ENGIE Services U.S.:

(i) any substantial failure by ENGIE Services U.S. to perform or comply with this Contract, including a material breach of any covenant contained herein, and such failure continues for thirty (30) calendar days after notice to ENGIE Services U.S. demanding that such failure to perform be cured; *provided* that (y) such failure to perform will not be deemed a default hereunder if it is excused by a provision of this Contract, and (z) if such cure cannot be effected in thirty (30) calendar days, ENGIE Services U.S. will be deemed to have cured the default upon the commencement of a cure within thirty (30) calendar days and diligent subsequent completion thereof; or

(ii) any representation or warranty furnished by ENGIE Services U.S. in this Contract which was false or misleading in any material respect when made.

Section 16.02 Events of Default by County. Each of the following events or conditions will constitute an "Event of Default" by County:

(i) any substantial failure by County to perform or comply with this Contract, including a material breach of any covenant contained herein, and such failure continues for thirty (30) calendar days after notice to County demanding that such failure to perform be cured; *provided* that (y) such failure to perform will not be deemed a default hereunder if it is excused by a provision of this

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Contract; and (z) if such cure cannot be effected in thirty (30) calendar days, County will be deemed to have cured the default upon the commencement of a cure within thirty (30) calendar days and diligent subsequent completion thereof; or

(ii) any representation or warranty furnished by County in this Contract which was false or misleading in any material respect when made; or

(iii) any failure by County to pay any amount to ENGIE Services U.S. which is not paid within ten (10) calendar days after written notice from ENGIE Services U.S. that the amount is past due.

ARTICLE 17. REMEDIES UPON DEFAULT

Section 17.01 Termination for Cause. If there is an Event of Default by either Party under this Contract, unless such Event of Default has been cured within the applicable time periods for a cure set forth in ARTICLE 16, the non-defaulting Party may terminate this Contract by providing three (3) Business Days' written notice to the defaulting Party in the case of a monetary default and ten (10) Business Days' written notice to the defaulting Party in the case of a non-monetary default. Upon termination of this Contract, each Party will promptly return to the other all papers, materials, and property of the other held by such Party in connection with this Contract. Each Party will also assist the other in the orderly termination of this Contract and the transfer of all aspects hereof, tangible and intangible, as may be necessary for the orderly, non-disrupted business continuation of each Party. If this Contract is so terminated, ENGIE Services U.S. will be entitled to payment for Work satisfactorily performed, earned profit and overhead, and costs incurred in accordance with this Contract up to the date of termination.

Section 17.02 Remedies Upon Default by ENGIE Services U.S. If an Event of Default by ENGIE Services U.S. occurs, County will be entitled to obtain any available legal or equitable remedies through arbitration proceedings instituted pursuant to ARTICLE 19, including, without limitation, terminating this Contract, or recovering amounts due and unpaid by ENGIE Services U.S. and/or damages, which will include County's reasonable, actual, direct out-of-pocket losses incurred by reason of such Event of Default and any cost of funding; loss of anticipated payment obligations; and any payment or delivery required to have been made on or before the date of the Event of Default and not made, including interest on any sums due, and losses and costs incurred as a result of terminating this Contract and all costs and expenses reasonably incurred in exercising the foregoing remedies.

Section 17.03 Remedies upon Default by County. If an Event of Default by County occurs, ENGIE Services U.S. will be entitled to obtain any available legal or equitable remedies through arbitration proceedings instituted pursuant to ARTICLE 19 including, without limitation, terminating this Contract or recovering amounts due and unpaid by County, and/or damages which will include ENGIE Services U.S.'s reasonable, actual, direct out-of-pocket losses incurred by reason of such Event of Default and any cost of funding; loss of anticipated payment obligations; and any payment or delivery required to have been made on or before the date of the Event of Default and not made, including Interest on any sums due, and losses and costs incurred as a result of terminating this Contract and all costs and expenses reasonably incurred in exercising the foregoing remedies.

ARTICLE 18. CONDITIONS BEYOND CONTROL OF THE PARTIES

Section 18.01 Excusable Events. If any Party is delayed in, or prevented from, performing or carrying out its obligations under this Contract by reason of any Excusable Event, such circumstance will not constitute an Event of Default, and such Party will be excused from performance hereunder and will not be liable to the other Party for or on account of any loss, damage, injury or expense resulting from, or arising out of, such delay or prevention. Notwithstanding the foregoing, no Party will be excused from any payment obligations under this Contract as a result of an Excusable Event.

Section 18.02 Utility Work. County expressly understands and agrees that Excusable Events may occur due to Interconnection Facilities work that may need to be performed by the local electric utility ("Utility") in order for ENGIE Services U.S. to fully implement the Project. "Interconnection Facilities" means any distribution or transmission lines and other facilities that may be required to connect equipment supplied under this Contract to an electrical distribution/transmission system owned and maintained by the Utility. Any Interconnection Facilities work that may be required will be performed by the Utility under the Interconnection Agreement.

ARTICLE 19. GOVERNING LAW AND RESOLUTION OF DISPUTES

Section 19.01 Governing Law. This Contract is governed by and must be interpreted under the laws of the State where the Work is performed, without regard to the jurisdiction's choice of law rules.

Section 19.02 Initial Dispute Resolution. If a dispute arises out of or relates to this Contract, the transaction contemplated by this Contract, or the breach of this Contract (a "Dispute"), either Party may initiate the dispute resolution process set forth in this ARTICLE 19 by giving notice to the other Party. The Parties will endeavor to settle the Dispute as follows:

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(i) *Field Representatives' Meeting*: Within fifteen (15) Business Days after notice of the Dispute, ENGIE Services U.S.'s senior project management personnel will meet with County's project representative in a good faith attempt to resolve the Dispute.

(ii) *Management Representatives' Meeting*: If ENGIE Services U.S.'s and County's project representatives fail to meet, or if they are unable to resolve the Dispute, senior executives for ENGIE Services U.S. and for County, neither of whom have had day-to-day management responsibilities for the Project, will meet, within thirty (30) calendar days after notice of the Dispute, in an attempt to resolve the Dispute and any other identified disputes or any unresolved issues that may lead to a dispute. If the senior executives of ENGIE Services U.S. and County are unable to resolve a Dispute or if a senior management conference is not held within the time provided herein, either Party may submit the Dispute to mediation in accordance with Section 19.03.

Section 19.03 Mediation. If the Dispute is not settled pursuant to Section 19.02, the Parties will endeavor to settle the Dispute by mediation under the Commercial Mediation Procedures of the American Arbitration Association. Mediation is a condition precedent to arbitration or the institution of legal or equitable proceedings by either Party. Once one Party files a request for mediation with the other Party and with the American Arbitration Association, the Parties agree to conclude the mediation within sixty (60) calendar days after filing the request. Either Party may terminate the mediation at any time after the first session, but the decision to terminate must be delivered in person by the Party's representative to the other Party's representative and the mediator. If the Dispute is not resolved by mediation within sixty (60) calendar days after the date of filing of the request for mediation, then the exclusive means to resolve the Dispute is final and binding arbitration, as described in Section 19.04. Either Party may initiate arbitration proceedings by notice to the other Party and the American Arbitration Association.

Section 19.04 Arbitration Proceedings. The following provisions apply to all arbitration proceedings pursuant to this ARTICLE 19:

(i) The place of arbitration will be the American Arbitration Association office closest to where the Work was performed.

(ii) One arbitrator (or three arbitrators if the monetary value of the Dispute is more than $2,000,000) (the "Arbitral Panel") will conduct the arbitral proceedings in accordance with the Commercial Arbitration Rules and Mediation Procedures (Excluding the Procedures for Large, Complex Commercial Disputes) of the American Arbitration Association currently in effect ("Arbitration Rules"). To the extent of any conflicts between the Arbitration Rules and the provisions of this Contract, the provisions of this Contract prevail.

(iii) The Parties will submit true copies of all documents considered relevant with their respective statement of claim or defense, and any counterclaim or reply. In the discretion of the Arbitral Panel, the production of additional documents that are relevant and material to the determination of the Dispute may be required.

(iv) The Arbitral Panel does not have the power to award, and may not award, any punitive, indirect or consequential damages (however denominated). All arbitration fees and costs are to be shared equally by the parties, regardless of which Party prevails. Each Party will pay its own costs of legal representation and witness expenses.

(v) The award must be in the form of a reasoned award.

(vi) The Dispute will be resolved as quickly as possible. The Arbitral Panel will endeavor to issue the arbitration award within six (6) months after the date on which the arbitration proceedings were commenced.

(vii) The award will be final and binding and subject to confirmation and enforcement proceedings in any court of competent jurisdiction.

Section 19.05 Multiparty Proceeding. Either Party may join third parties whose joinder would facilitate complete resolution of the Dispute and matters arising from the resolution of the Dispute.

Section 19.06 Lien Rights. Nothing in this ARTICLE 19 limits any rights or remedies not expressly waived by ENGIE Services U.S. that ENGIE Services U.S. may have under any lien laws or stop notice laws.

ARTICLE 20. REPRESENTATIONS AND WARRANTIES

Section 20.01 Each Party warrants and represents to the other that:

(i) it has all requisite power and authority to enter into this Contract, to perform its obligations hereunder and to consummate the transactions contemplated hereby;

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(ii) the execution, delivery, and performance of this Contract have been duly authorized by its governing body, or are in accordance with its organizational documents, and this Contract has been duly executed and delivered for it by the signatories so authorized, and constitutes its legal, valid, and binding obligation;

(iii) the execution, delivery, and performance of this Contract will not breach or violate, or constitute a default under, its organizational documents or any contract, lease or instrument to which it is a party or by which it or its properties may be bound or affected; and

(iv) it has not received any notice, nor to the best of its knowledge is there pending or threatened any notice, of any violation of any Applicable Laws, awards or permits which would materially and adversely affect its ability to perform hereunder.

ARTICLE 21. NOTICE

Any notice required or permitted hereunder will be deemed sufficient if given in writing and delivered (i) personally, (ii) by email, (iii) sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) delivered to a nationally recognized express mail service, charges prepaid, receipt obtained, to the address shown below or to such other persons or addresses as are specified by similar notice.

TO ENGIE SERVICES U.S.:
ENGIE Services U.S. Inc.
500 12th Street, Suite 300
Oakland, CA 94607
Tel:
Attention: Logan Ahlgren, Project Manager
Email: logan.ahlgren@engie.com

With a COPY TO:
Legal Department
ENGIE Services U.S. Inc.
35 North Lake Avenue, Suite 900
Pasadena, CA 91101-1892
Attention: Contract Analyst Senior
Tel: 626-377-4948

TO County:
County of Monterey
168 W. Alisal Street
Salinas, CA 93901
Attention:
Tel:
Email:

With a COPY TO:
Office of _____
_____
Street Address
City, State, Zip
Attention:
Tel:
Email:

ARTICLE 22. CONSTRUCTION OF CONTRACT

This Contract is the result of arms-length negotiations between two sophisticated parties and ambiguities or uncertainties in it will not be construed for or against either Party, but will be construed in a manner that most accurately reflects the intent of the Parties as of the Contract Effective Date. Each of the Parties acknowledges and agrees that neither Party has provided the other with any legal, accounting, regulatory, financial, or tax advice with respect to any of the transactions contemplated hereby, and each Party has consulted its own legal, accounting, regulatory, financial and tax advisors to the extent it has deemed appropriate.

ARTICLE 23. CHOICE OF LAW

THE INTERPRETATION, VALIDITY AND ENFORCEMENT OF THIS CONTRACT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

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ARTICLE 24. BINDING EFFECT

Except as otherwise provided herein, the terms and provisions of this Contract will apply to, be binding upon, and inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors, and permitted assigns.

ARTICLE 25. NO WAIVER

The failure of ENGIE Services U.S. or County to insist upon the strict performance of this Contract will not constitute or be construed as a waiver or relinquishment of either Party's right to thereafter enforce the same in accordance with this Contract in the event of a continuing or subsequent default on the part of ENGIE Services U.S. or County.

ARTICLE 26. SEVERABILITY

If any clause or provision of this Contract or any part thereof becomes or is declared by a court of competent jurisdiction invalid, illegal, void, or unenforceable, this Contract will continue in full force and effect without said provisions; *provided* that no such severability will be effective if it materially changes the benefits or obligations of either Party hereunder.

ARTICLE 27. HEADINGS

Headings and subtitles used throughout this Contract are for the purpose of convenience only, and no heading or subtitle will modify or be used to interpret the text of any section.

ARTICLE 28. COUNTERPARTS; INTEGRATION

This Contract may be executed in counterparts (and by different Parties hereto in different counterparts), each of which will constitute an original, but all of which when taken together will constitute a single contract. This Contract constitutes the entire contract among the Parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. This Contract cannot be amended, modified, or terminated except by a written instrument, executed by both Parties hereto. Delivery of an executed counterpart of a signature page of this Contract by email will be effective as delivery of a manually executed counterpart of this Contract.

[*the Parties' signatures appear on the following page*]

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SIGNATURE PAGE

IN WITNESS WHEREOF, County and ENGIE Services U.S. have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: DocuSigned by: Debra Wilson PhD 7B741937AA0D41B...
Contracts/Purchasing Officer

Date: 12/6/2024 | 4:12 PM PST

By: _____
Department Head (if applicable)

Date: _____

Approved as to Form
County Counsel
Susan K. Blitch, Acting County Counsel

By: Signed by: Michael Whilden 0F98C5BE9B6F476...
County Counsel

Date: 12/2/2024 | 9:18 AM PST

Approved as to Fiscal Provisions

By: _____
Auditor/Controller

Date: _____

Approved as to Liability Provisions
Office of the County Counsel-Risk Management

By: Signed by: David Bolton 68FDC263FF6243C...
David Bolton, Risk Manager

Date: 12/2/2024 | 9:30 AM PST

ENGIE SERVICES U.S. INC.

By: DocuSigned by: Courtney Jenkins DS CM C333BEFB00484B7...
(Signature of Chair, President, or Vice-President)

Courtney Jenkins, President

Date: 11/27/2024

By: DocuSigned by: Derron Gunderman DS CM 1177FFDB3085402...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Derron Gunderman, Secretary

Date: 11/26/2024

County Board of Supervisors' Agreement No. _____ approved on _____

* INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.
[1]Approval by County Counsel is required
[2]Approval by Auditor-Controller is required
[3]Approval by Risk Management is necessary only if changes are made in paragraph 8 or 9

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ATTACHMENT A

FACILITIES

(a) The following County Facilities are included under the Scope of Work as listed below:

Facility	Address	Square Feet
Civic Center	240 Church St., Salinas, CA 93901	293,867
Information Technology Department	1590 Moffett St., Salinas, CA 93905	31,980

DRAFT

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ATTACHMENT B

Not Used

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ATTACHMENT C

SCOPE OF WORK

California State Contractor's License Number 995037
California Public Works Contractor Registration Number 1000001498

Energy Conservation Measures to Be Implemented

ECM #	Description
1	Solar Generating Facilities
2	Electric Vehicle (EV) Charging Stations

ECM 1: SOLAR GENERATING FACILITIES

The table below lists the locations for the solar photovoltaic (PV) installations and the structure types:

Facility	Est. kWdc	Solar PV Structure	PG&E Meter Number
Civic Center	543	Canopy, Roof	1010238946
Information Technology Department	449	Canopy, Roof	1010238977

General Scope of Work

1. Prepare and submit design drawings to County for approval and to the local Utility as required.
2. Provide geotechnical evaluations necessary for design requirements for all sites.
3. ENGIE Services U.S. will submit the project for permitting review to the County of Monterey Building Department, City of Salinas, and City of Salinas Fire Department as required. No permitting fees have been included in the Scope of Work for these Authorities Having Jurisdiction (AHJs).
4. Provide geotechnical evaluations necessary for design requirements.
5. Provide Utility interconnection drawings and management services.
6. Provide and coordinate installation of the revenue grade Net Generation Output Meter (NGOM) and Net Energy Meter (NEM) metering.
7. Procure materials and equipment necessary for construction.
8. Provide all project management and construction management necessary for a full and complete installation.
9. Provide labor, supervision and coordination with County for the installation of photovoltaic (PV) modules and supporting structures, electrical distribution and control systems.
10. Provide and install PV modules and all necessary mounting hardware for each system.
11. Provide and install inverters and all necessary electrical equipment and conduits to connect to the electrical switchgear or meter. Electrical shutdowns are anticipated at each site. Time of shutdown will be coordinated with the County and may include weeknights and weekends. Shutdowns will not be scheduled during regular working hours. Coordination with use of existing on-site permanent generators will be provided. No provision of temporary generators, additional generators, or fuel for generators has been included in the Scope of Work.
12. Provide and install solar canopy and roof mounted structures to offset electrical consumption at the two (2) locations in the table above.
    a. Canopy: The canopy structure design will include a painted canopy structure that has a seven (7) degree tilt and is thirteen feet six inches (13'-6") clear of grade level on the low side and a pier depth of thirteen feet (13') deep. The canopy structure design assumes no de-watering, benching, shoring, or casing. The paint color shall be selected by County and may be any color other than white. No galvanized coating is included in this Scope of Work.
    b. Roof: Provide and install necessary commodity roofing products to flask racking standoffs and solar related penetrations to maintain waterproof integrity of the existing structures. County shall provide contact information for roofer/roof warranty holder so ENGIE Services U.S. can coordinate to ensure work maintains roof warranty, if any exist. Roof mounted systems will be low profile tilt elevated roof rack system at Civic Center and a ballasted roof rack system at Information Technology Department. Rooftop racking systems shall be 1 panel high in portrait, with a five (5) degree tilt facing south, south-east, or south-west. The rooftop arrays at Civic Center will have a eighteen to twenty-four inch (18-24") clearance between top of roof and the low edge of the module. The rooftop arrays at the Information Technology Department will have a two inch (2") minimum clearance between the top of the roof and the low edge of the module. Any structural upgrades, existing roofing modifications, or modifications to these racking designs are excluded from the Scope of Work. All racking material shall be galvanized only, with no paint. Rapid shutdown devices as required by code shall be provided and installed.

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13. The Civic Center PV system at the south end of West Alisal Street shall be required to tie in at the main point of interconnection north of West Alisal Street. ENGIE Services U.S. shall utilize directional horizontal boring to place electrical conduits for this tie-in to connect the PV systems on either side of the street, and any associated hand digging or additional excavations for the placement of conduits underneath West Alisal Street has been excluded. As this is a City of Salinas owned street, ENGIE Services U.S. shall assist with obtaining an encroachment permit for this work.
14. ENGIE Services U.S. has assumed continuous construction with no additional mobilizations or remobilizations for the work at Civic Center or the Information Technology Department.
15. Provide and install one (1) meter each on existing electrical panel “DHA” located in the North Wing first floor and existing electrical panel “EDHA” located in the North Wing Basement at the Civic Center for the purpose of monitoring the electricity use of the spaces occupied by the State Courts. The energy usage data will be provided in UtilityVision along with the energy usage from the solar system.
16. DC wiring and AC wiring within the solar canopies and roof mount structures shall be copper wire. Aluminum wire will be used from each system’s AC combiner to the main point of contact at the site’s electrical switchgear.
17. Provide and install one (1) spare two (2) inch conduit to each grouping of canopies for future infrastructure. The spare conduit shall be installed from the electrical main point of interconnection and shall terminate at the AC combiner for any grouping of canopies.
18. Provide and install one (1) spare three (3) inch conduit each to Arrays C.2 and C.3 at Civic Center for future infrastructure. Spare conduits shall be installed from the electrical main point of interconnection at the 480 Volt switchgear and shall terminate at the easternmost point of each array in a pull box.
19. Provide and install new LED lighting fixtures (RAB PRT42N or equivalent) at every canopy bay. .
20. Provide lighting fixture, pole, and bollard removal for the canopy installations, returning the light fixtures and poles to the County. Quantities are shown below:

Site	Quantity Lights and Bollards Removed
Civic Center	4
Information Technology Department	2
Total	**6**

21. Provide as-built drawings and Operations and Maintenance manuals in electronic format upon project completion.
22. Provide miscellaneous backfill and restoration of landscaping in areas of work.
23. Start-up, test, and commission the systems in accordance with design plans and applicable industry standards.
24. Secure the Project Location and provide traffic redirection during riffing operations, and during the move-in and move-out of large equipment. County will assist with the foregoing site logistics by coordinating access and scheduling with ENGIE Services U.S.

PV Layouts
Schematic engineering layouts are included in Appendix 2. These schematic engineering layouts and the electrical routing related to them are subject to change due to field conditions and upon completion of final engineering.

Tree Removal and Replacement
The quantities of trees that need to be removed are identified in the table below and are based on the current PV layouts. The total quantity of new trees to be planted are identified in the table below. Locations of new trees shall be determined with the County. It is assumed that any location for new trees shall have existing irrigation. No provision for new irrigation or extension of irrigation systems have been included in the Scope of Work. A landscape architect shall be utilized by ENGIE Services U.S. to provide detailed drawings showing the trees to be removed and specifying size, type, and location of all new trees. New trees shall be sized to be installed in no larger than twenty-four inch (24”) tree boxes and shall be provided at 8’ in height.

Site Name	Quantity of Trees Removed	Quantity of Trees Trimmed	Quantity of Trees Replanted
Civic Center	1	0	3
Information Technology Department	9	1	27
Total	**10**	**1**	**30**

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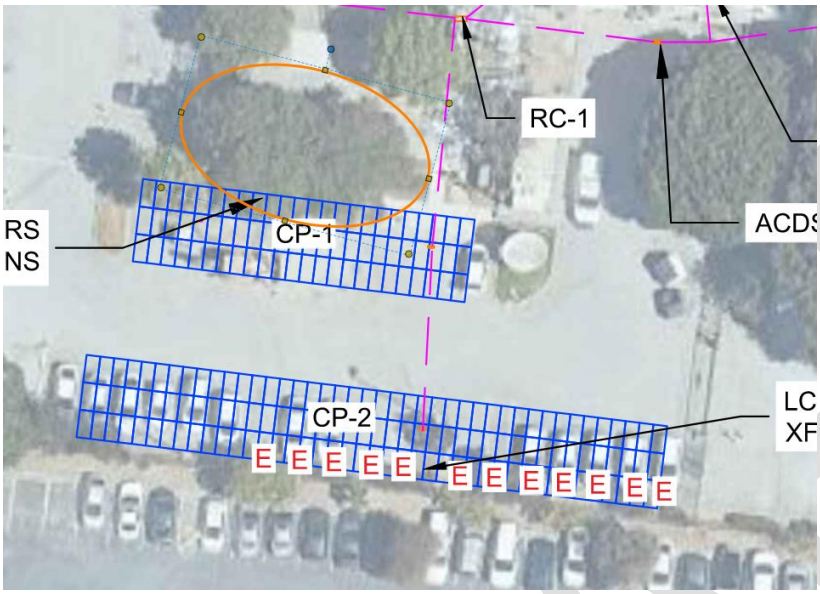
In order to ensure maximum guaranteed solar PV system generation, the County will be responsible for regular tree trimming and maintenance of the trees as circled in orange the in the layout below to not grow above thirty feet (30') in height and maintain ten feet (10') of horizontal distance from the edge of the array. ENGIE Services U.S. is responsible for any initial trimming required at the start of construction.

Information Technology Department



Tree removal as noted in the table above includes stump grinding.

Inclusions

- Permanent six foot (6') tall galvanized chain-link fencing enclosures around PV electrical equipment as required. No privacy slats have been included in the Scope of Work.
- Provide and install a total of two (2) weather stations, one (1) at each location.

Exclusions

- Any permanent chain-link fencing not specifically identified in the above scope of work. Any iron rod, black coated, or decorative fencing, or any privacy slats on fencing. All fencing is assumed to be galvanized steel. If County prefers any other material for fencing, this will result in a Change Order to the Scope of Work.
- Building or improvement of fire access roads.
- Casings for the piers as a result of caving.
- Security cameras.
- Costs for accessibility upgrades, if required, are not included.
- Grading of the area. Solar shall be mounted on existing terrain.
- Rock drilling or boring through rocky soil conditions.
- Costs for Utility upgrades, if required, are not included.
- Provision of, modifications to, or additions to fire life safety systems, including but not limited to fire alarm systems, fire sprinklers, and alarm speaker systems.
- No allowance has been made for screening, bird spikes, or other mitigations to eliminate nesting or occupation of wildlife on or within major equipment. Wildlife debris cleanup is excluded.
- New tree planting will not have new irrigation systems. Hand watering will be the responsibility of County, if required.
- Scope of Work assumes that existing roof structures can take on the added structural load of the PV systems. No upgrades or repairs of any kind are included.
- Remediation and/or removal of hazardous materials, hazardous wastes, or spoils are not included.

ECM 2: EV CHARGING STATIONS

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The table below lists the locations and quantities for the electric vehicle (EV) charging stations. :

Facility	EV Charging Station Description	EV Charging Station kW Output	# of Ports
Civic Center	Dual Port Level 2	20.8 kW (10.4 kW per port)	16
	Dual Port DC Fast Charger	150 kWdc	4
Information Technology Department	Dual Port Level 2	20.8 kW (10.4 kW per port)	12

The EV charging stations provide a maximum power output of 20.8 kW per charging station, with a maximum power output of 10.4 kW per port if both ports are used simultaneously.

General Scope of Work

1. ENGIE Services U.S. will create CAD maps of system locations where necessary for design requirements.
2. Prepare and submit design drawings to County for approval.
3. ENGIE Services U.S. will secure the Project Locations and provide traffic redirection during rigging operations, and during the move-in and move-out of large equipment. County will assist with the foregoing site logistics by coordinating access and scheduling with ENGIE Services U.S.
4. Provide labor, supervision and coordination with County for the installation of EV Chargers and supporting structures, electrical distribution and control systems.
5. Provide and install temporary fencing during construction.
6. Supply and install dual port, integrated auto-retract cable system charging station model number ChargePoint CP6021B-50A-L5.5 commercial station 12kW Charger (240V AC @50A), including all materials and equipment necessary for installation.
7. Install two (2) County-provided Freewire Boost Charger 150 dual plug DC fast charging stations at Civic Center, including all materials and equipment necessary for installation. These charging stations will be located within the visitor's parking lot as shown in the layout in Appendix 2 and shall be connected using local 208 Volt power. It is assumed that sufficient capacity exists for tying in these charging stations to existing infrastructure. Infrastructure additions or modifications have been excluded from the Scope of Work. ENGIE Services U.S. will not warranty the material of these charging stations and cannot guarantee their operation.
8. EV charging stations where possible shall be mounted to existing hardscape.
9. Furnish and install all power and data cabling and conduit for each of the power cabinets, dispensers and chargers detailed above.
10. All power cables shall be copper and installed in metallic conduit.
11. Hard-wired data connections to the County's IT network are excluded.
12. Furnish and install equipment pads and mounting hardware for the dispensers.
13. The wiring for each unit is to be determined from each charger datasheet and recommendations.
14. Wiring between each system's charging stations shall be with copper or aluminum wire. Aluminum wire will be used from each system's AC combiner to the main point of connection at the site's electrical switchgear.
15. Include any trenching or concrete work required to feed the wiring.
16. All underground utility locating is included.
17. Locate, protect and avoid existing underground utilities in the new conduit paths.
18. Coordinate billing parameter and website setup between vendor and County.
19. Provide and install step-up transformer per the following table. Transformers shall be installed at grade level, with new equipment pads and shall be enclosed by 6' tall galvanized chain link fence with no slats at the two (2) Project Sites as identified in Appendix 2 – Provisional Solar PV and EV Charger Layouts.

Facility	EV Charging Station Transformers
Civic Center	One (1) step-up 208/120 Volt to 480 Volt transformer
Information Technology Department	One (1) step-up 208/120 Volt to 480 Volt transformer

20. Provision of safety and security measures shall be provided as required by and coordinated with the County.
21. The schedule assumes work will be allowed to proceed year-round in a continuous manner. All construction activities shall be coordinated with County around site schedules and operation.

EV Layouts

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Schematic engineering layouts are included in Appendix 2. These schematic engineering layouts and the electrical routing related to them are subject to change due to field conditions and upon completion of final engineering.

EV Charging Management Software

1. ENGIE Services U.S. will install a ChargePoint management application to monitor and control the Level 2 EV chargers. ENGIE Services U.S. will be responsible for all necessary material, equipment (except as excluded below), labor, management and commissioning to provide a fully functioning monitoring system at each site listed on the table above.
2. County will have full access to the data captured from the EV chargers that records usage for billing. County can also enable viewing restrictions to specific chargers for purposes of selectively sharing data with users.
3. Following installation and commissioning, County will be solely responsible for use, functionality and capabilities of the software, including any ongoing usage fees.
4. Yearly licensing and billing fees for the EV charging stations will be the responsibility of County.
5. A prepaid 5-year Commercial Cloud Plan service subscription from ChargePoint for account management is included per charger.
6. Ongoing maintenance is the responsibility of County.
7. This Scope of Work assumes that cellular connection strength is adequate to support the chargers' network communications.
8. In the event that ENGIE Services U.S. determines that there is not sufficient capacity for the EV charging scope at any particular site, ENGIE Services U.S. will notify the County promptly, and ENGIE will determine what next steps may be required.

Exclusions

1. Any and all electrical upgrades to increase capacity to enable connection of EV charging except where specified in the Scope of Work section above. ENGIE Services U.S. is not aware of any required electrical upgrades at the time of signature.
2. Permanent fencing unless otherwise stated in specific Scope of Work sections.
3. Bollards, signage, and parking lot restriping are excluded.
4. Any ADA upgrades to new or existing parking stalls is excluded.
5. Installation of new security cameras or modifications to existing security cameras is excluded.
6. Asphalt patching or restriping, except where specified in the Scope of Work section above, is excluded. All asphalt patching and restriping to return the parking lots and other areas of work to their original conditions is in the Scope of Work, as noted in the section above.
7. Additional monitoring system equipment including ports, extenders or other hardware is excluded.
8. Landscaping in areas not directly affected by the ENGIE Services U.S.' work.
9. Repair or replacement of damaged or inoperable existing equipment that is not specifically being replaced under the Scope of Work. When such items are discovered, ENGIE Services U.S. will immediately notify a County representative.
10. With respect to new equipment connecting to the Facilities' existing electrical distribution systems, ENGIE Services U.S. will not be responsible for the electrical integrity of the existing electrical system, e.g., the condition and proper termination of current-carrying, grounded, and grounding conductors, bus taps, protective elements, the proper protection of existing wire through knockouts, or missing components. The County is responsible for providing and maintaining the facility's electrical distribution system that meets the latest NEC and guidelines adopted by the authority having jurisdiction. ENGIE Services U.S. is not aware of any required electrical upgrades at the time of signature.
11. Painting of conduits or other surfaces, unless specified in the EV Charging Site Specific Scope sections.

General Project Exclusions and Clarifications Applicable to All Scopes:

- ENGIE Services U.S. will be responsible for obtaining and paying for any required Building, Mechanical, and Electrical Permits.
- County of Monterey, City of Salinas, and City of Salinas Fire Department AHJ permitting fees are not included.
- The County will be responsible for hiring and paying for all inspectors and testing laboratories.
- ADA, Fire Life Safety, and other work required as a result of AHJ submission is excluded, except as noted above.
- ENGIE Services U.S. has assumed Construction will be allowed to proceed smoothly and in a continuous flow. No allowance has been made to demobilize and remobilize resources due to schedule interruptions, except as noted above.
- Remediation and/or removal and disposal of Hazardous Substances, including asbestos containing materials, to be by County. If ENGIE Services U.S. encounters material suspected to be hazardous, ENGIE Services U.S. will notify County representative and stop further work in the area until the material is removed.
- CEQA or other environmental studies, if required, will be the responsibility of County.
- Public Hearings, if required, will be the responsibility of County.

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- ENGIE Services U.S. will require the assistance of County personnel to secure the Project Location and to provide traffic redirection during rigging operations, and during the move-in and move-out of large equipment.
- No allowance has been made for structural upgrades to existing structures, except as specifically set forth in this Scope of Work.
- No temporary heating or cooling services are included for the duration of planned power shutoffs for the purpose of Utility interconnection. ENGIE Services U.S. will attempt to phase construction in such a way as to avoid complete interruptions of service. If temporary facilities including but not limited to power, phone lines, heating, or cooling are required, they will be provided by the County at no cost to ENGIE Services U.S.
- No allowance has been made for screening of new or existing equipment, except as specifically set forth in this Scope of Work.
- ENGIE Services U.S. standard construction means and methods will be used.
- County will provide access to the Facilities, laydown areas at the work sites, and a reasonable number of parking spaces for ENGIE Services U.S. and ENGIE Services U.S.'s subcontractor vehicles in parking lots at the Facilities.
- Work will be performed during normal work hours; no overtime hours are included in the Contract Price except as noted above.
- The Scope of Work assumes that, unless specifically identified otherwise, all existing systems are functioning properly and are up to current codes. ENGIE Services U.S. will not be responsible for repairs or upgrades to existing systems that are not functioning properly or compliant with current codes. No allowances have been made to bring existing systems up to code. ENGIE Services U.S. is not aware of any required electrical upgrades at the time of signature.
- No allowance has been made to repair or replace damaged or inoperable existing equipment that is not specifically being replaced under the Scope of Work. When such items are discovered, ENGIE Services U.S. will immediately notify County representative.
- No allowance has been made for underground obstructions or unsuitable soil conditions encountered during trenching or other excavation.
- The PV shade structure is not weather tight and will not provide shelter from rain.
- Installing water hose bibs for washing the panels is excluded.
- Parking lot repairs are excluded, except to the extent of damage caused by ENGIE Services U.S. or its subcontractors.
- Modifications to or replacement of existing electrical switchgears or panelboards are excluded. ENGIE Services U.S. is not aware of any needed modifications or replacements at the time of signature.
- Repair or replacement of existing housekeeping pads, concrete pads, or base repair of existing walkway lighting are excluded, except as specifically set forth in this Scope of Work.
- Painting, unless specified, is excluded.
- ENGIE Services U.S assumes soil and site conditions for boring will allow for continuous operation of boring equipment.
- With respect to installation of new lighting fixture installations, prior to commencement of the lighting fixture installation, County will provide an existing or new grounding conductor or solidly grounded raceway with listed fittings at the lighting fixture junction box that is properly connected to the facility grounding electrode system in compliance with the latest NEC requirements adopted by the authority having jurisdiction. This Scope of Work includes, if applicable, properly terminating the lighting fixtures to the existing grounding conductor or to the existing solidly grounded raceway with listed fittings at the lighting fixture junction box.
- Where this Scope of Work includes pulling new wiring for lighting fixtures from an existing lighting panel, a grounding conductor must be included in the lighting circuits. County is responsible for providing an existing or new grounding conductor terminal bar at the lighting panel that is properly connected to the Facility grounding electrode system in compliance with the latest NEC adopted by the authority having jurisdiction.
- With respect to Projects with new equipment connecting to the Facility's existing electrical distribution system, ENGIE Services U.S. will not be responsible for the electrical integrity of the existing electrical system, e.g., the condition and proper termination of current carrying, grounded, and grounding conductors, bus taps, protective elements, the proper protection of existing wire through knockouts, or missing components. County is responsible for providing and maintaining the facility's electrical distribution system that meets the latest NEC and guidelines adopted by the authority having jurisdiction. ENGIE Services U.S. is not aware of any required electrical upgrades at the time of signature.
- ENGIE Services U.S. will not be responsible for existing damaged pipes, valves, and related parts and components.
- Depth of piers for canopy installations are assumed to be thirteen (13) feet. No allowances have been made should soils report indicate that depth of piers should be deeper due to soil quality and/or seismic concerns, or additional seismic concerns requires deeper footings.

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ENGIE Services U.S. Beneficial Use and Warranty criteria for specific pieces of equipment:

1. SOLAR GENERATING FACILITIES - The ENGIE Services U.S. Warranty commences immediately when the Generating Facility is capable of generating expected energy and the Utility is ready to issue the permission-to-operate letter.
    a. Solar Module Warranty – solar modules will be provided with a 30-year manufacturer production warranty.
    b. Solar Inverter Warranty – inverters will be provided with a 10-year manufacturer parts and service warranty.
2. EV CHARGING STATIONS – The ENGIE Services U.S. Warranty commences immediately upon the occurrence of uninterrupted operation for a duration as necessary, with a maximum of two (2) weeks, to determine proper operation.
    a. EV Charging Station equipment will be provided with a two (2) year manufacturer warranty that begins from the date of purchase for only the Level 2 EV Charging Stations. County is responsible for managing manufacturer warranty for the previously purchased DC Fast EV Charging Stations.
    b. EV Charging Station installation will be provided with a one (1) year labor warranty for all Level 2 and DC Fast EV Charging Stations.

Substantial & Final Completion Forms per Scope of Work:

The table below provides the number of substantial and final completion forms that will be used to document beneficial use and final completion of each Scope of Work.

ECM	Scope of Work	Location	Total Qnty of Substantial Completions	Total Qnty of Final Completions
1	Solar Generating Facilities	2 Sites	2, one per system	1, for entire ECM
2	Electric Vehicle Charging Stations	2 Sites	2, one per system	1, for entire ECM

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ATTACHMENT D

MONITORING INSTALLATION SCOPE OF WORK

Overview of DAS Network Installation and Equipment Requirements

ENGIE Services U.S. will provide a revenue-grade billing, data acquisition system (DAS). This will provide readily available access to various internal and external information collected on the distributive generation (i.e., solar PV) plant.

ENGIE Services U.S. DAS Monitoring Installation:

- Supply and install hardware specific to the DAS system.
- Supply and install, terminate, label, and test all Data Point of Connection (DPOC) communication cabling from each DAS node to the predetermined and respective DPOC(s), in accordance with County's specifications.
- Test and verify County/Facility network connectivity.
  a. TCP/IP internal addressing and verification
- Supply, install, and configure a Modbus based digital Net Energy Meter (NEM).
- Connect the data portion of digital NEM(s) to their respective DPOC(s).
- Supply, install, and configure a revenue-grade Modbus based digital Net Generation Output Meter (NGOM).
- Perform the physical installation, labeling, testing and certification testing of each data circuit from the digital NEM(s) to their respective DPOC(s).
- Provide basic system training to designated County/Facility maintenance staff.

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ATTACHMENT E

M&V SERVICES

EQUIPMENT AND FACILITIES COVERED

ENGIE Services U.S. will perform measurement and verification services ("M&V Services") as set forth in this Attachment E with respect to County's property at the locations as listed in Attachment A.

I. Definitions:

Capitalized terms used in this Attachment E and not defined in the Contract have the meanings set forth below:

"**Annual M&V Fee**" means a fee payable annually in advance by County to ENGIE Services U.S., in consideration of the provision of up to five (5) years of M&V Services. The Annual M&V Fee for the first Measurement Period will be Two Thousand Eight Hundred Eighty-Four Dollars ($2,884.00). The Annual M&V Fee will be increased annually thereafter at the rate of four percent (4%) per annum, each increase to be effective on the first day of the corresponding Measurement Period.

"**Energy Production**" means the aggregate kWh measured by the Generating Facilities during the Measurement Period.

"**Energy Production Factors**" means factors identified by ENGIE Services U.S. which may affect the Energy Production of the Facilities, including: quality, quantity, and timeliness of maintenance and repairs to building electrical distribution system which were not installed by ENGIE Services U.S., but which are necessary for conveying Energy Production; inability to procure replacement parts/components; damage or defects excluded by manufacturer warranty, and not caused by ENGIE Services U.S.; soiling in excess of predicted soiling based on ENGIE Services U.S. industry-standard modeling for this project; non-operation or shutdown of the Generating Facilities by County or a third party other than ENGIE Services U.S.; and damage to the Generating Facilities not caused by ENGIE Services U.S.

"Energy Production Term" means the period beginning on the first day of the first Measurement Period and ending on the earlier of: (i) the day immediately preceding the fifth (5^{th}) anniversary of the M&V Commencement Date; (ii) the termination of the Contract; (iii) the termination by County of the M&V Services in accordance with this Attachment E, Section (II)(E); or (iv) the failure by County to pay the Annual M&V Fee in accordance with this Attachment E, Section (II)(F).

"Expected Energy Production" means the Energy Production, which ENGIE Services U.S. anticipates will be realized from the installation and continued operation of the Work, as set forth in this Attachment E, Section (II).

"**Measurement Period**" means each 12-month period commencing with the first day of the month immediately following the M&V Commencement Date.

II. Terms and Conditions

A. Production Guarantee

ENGIE Services U.S guarantees that not less than ninety percent (90%) of the Expected Energy Production for each site in Table E-1 will be produced every Measurement Period during the Term (the "Production Guarantee"), subject to adjustment as set forth in Attachment E, Section (III),

Table E-1: First Year Solar PV Production

Location	Annual Expected Energy Production (kWh)
County Civic Center	840,530
IT Department	674,264
Total	**1,514,794**

B. Energy Savings Report

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ENGIE Services U.S. will provide a detailed reconciliation of the Production Guarantee to Customer annually, within ninety (90) days after the end of each Measurement Period. Such reconciliation will compare annual Energy Production, Expected Energy Production, Adjusted Expected Energy Production, and any Production Shortfalls and Production Shortfall Penalties that may have occurred. The Energy Savings Report will also document historical performance of previous Measurement Periods.

C. Interference.
County may not cause, and will take all commercially reasonable steps to prevent any third party from causing, any overshadowing, shading or other interference with the solar insolation that falls on the Generating Facility. Upon discovering, or otherwise becoming aware of, any actual or potential overshadowing, shading or other interference with insolation, County will promptly notify ENGIE Services U.S. If an unforeseeable overshadowing or shading condition not caused by ENGIE Services U.S. or its subcontractors exists and continues for five (5) Business Days or more, County agrees that the Production Guarantee for such Generating Facility will be reduced based upon such shading condition, and ENGIE Services U.S. may present County with a proposed reduction to the Production Guarantee reflecting such overshadowing, shading or other interference.

D. Solar Insolation.
Beginning at Beneficial Use or Substantial Completion for any portion of the Work, County will maintain buildings and surrounding areas such that the Generating Facilities access to insolation is not reduced. Such maintenance to include maintaining all landscaping (including tree trimming) in and around the Generating Facilities.

E. Termination of Production Guarantee.
If (i) County notifies ENGIE Services U.S. in writing of its intent to terminate the M&V Services, (ii) the Contract is terminated by ENGIE Services U.S. for default by County or by County for any reason permitted by the Contract, (iii) ENGIE Services U.S. is no longer the provider of the Maintenance Services set forth in Attachment F, or (iv) County fails to maintain the Project in accordance with this Attachment E or is in default of any of its other obligations under this Attachment E, the obligation of ENGIE Services U.S. to prepare and deliver the Energy Savings Report and to make Production Shortfall Penalty payments will also be terminated. If such termination occurs on a date other than the last day of a Measurement Period, ENGIE Services U.S. will have no obligation to make a Production Shortfall Penalty payment or prepare and deliver an Energy Savings Report for such Measurement Period.

F. Annual M&V Fee.

i. Invoicing and Payment. The Annual M&V Fee for the first Measurement Period will be invoiced by ENGIE Services U.S. to County in a lump sum on the M&V Commencement Date. All subsequent Annual M&V Fees will be invoiced by ENGIE Services U.S. on the first day of the corresponding Measurement Period. County, or its designee, will pay ENGIE Services U.S. such Annual M&V Fee, without any retention amount withheld, within thirty (30) calendar days after its receipt of the corresponding invoice. Unless County gives ENGIE Services U.S. prior written notice of its intent to terminate the M&V Services, any failure to timely pay the Annual M&V Fee in accordance with this Attachment E, Section (II)(i) will be a material default by County under the Contract, and ENGIE Services U.S., in addition to any other legal, contractual and equitable remedies available to it, will have no obligation thereafter to perform M&V Services or to make Production Shortfall Penalty payments.

ii. Any amount not paid when due will, from and after the due date, bear Interest. Accrued and unpaid Interest on past due amounts (including Interest on past due Interest) will be due and payable upon demand.

iii. Not Refundable. The Annual M&V Fee is not refundable for any reason.

III. Methodologies and Calculations

After the end of every Measurement Period, ENGIE Services U.S will compare the Energy Production that has occurred in the aggregate, by site, over the Measurement Period then ended with the aggregate Expected Energy Production, by site, for such Measurement Period from Table E-1 after:

(a) reducing Expected Energy Production to account for any loss of Energy Production attributable to
- (i) scheduled outages required under Attachment F Maintenance Services
- (ii) decreases in Insolation as defined in this Attachment E, Section (II)
- (iii) inadequate Customer Maintenance as defined in this Attachment E, Section (II)
- (iv) production degradation of 0.5% per year, on a cumulative basis
- (v) Energy Production Factors
- (vi) and Excusable Events, excluding Abnormally Severe Weather Conditions; and then

(b) multiplying the result by the Weather Adjustment, defined this Attachment E, Section (III)(D), (collectively, the "Adjusted Expected Energy Production").

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A. Production Shortfall
If the Energy Production for a Measurement Period was less than ninety percent (90%) of the Adjusted Expected Energy Production for such Measurement Period, then the "Production Shortfall" (in units of kWh) will be the difference between
(i) ninety percent (90%) of the Adjusted Expected Energy Production for such Measurement Period minus
(ii) the aggregate Energy Production for such Measurement Period.

The existence of a Production Shortfall will not be an event of default, but ENGIE Services U.S. will owe Customer a Production Shortfall Penalty which will be payable to Customer via check or other agreed-upon means.

B. Production Shortfall Penalty
The "Production Shortfall Penalty" will be an amount, expressed in Dollars, calculated by multiplying (i) the Production Shortfall (expressed in kWh) by (ii) the Shortfall Rate for the applicable Measurement Period.

C. Shortfall Rate
The "Shortfall Rate" will be the rate listed in Table E-2, increased each Measurement Period on a cumulative basis by five point two percent (5.2%) beginning on the first anniversary of the M&V Commencement Date and continuing on the first day of each Measurement Period thereafter.

Table E-2: Shortfall Rates

Location	Electricity Rate ($/kWh)
County Civic Center	0.3177
IT Department	0.2028

D. Weather Adjustment
Whenever the measured annual global incident irradiation for a Measurement Period is less than the expected annual global incident irradiation, the Adjusted Expected Energy Production for such Measurement Period will be multiplied by a ratio, expressed as a percentage, calculated by dividing
(i) the measured annual global incident irradiation for such Measurement Period by
(ii) the Expected Annual Global Incident Irradiation

For purposes of this adjustment, the "Expected Annual Global Incident Irradiation" for each site is as shown in Table E-3.

Table E-3: Expected Annual Global Incident Irradiation

Location	Irradiation (kWh/m2)
County Civic Center – Rooftop	1,899.0
County Civic Center – Canopy	1,926.6
IT Department – Rooftop	1,928.7
IT Department – Canopy	1,885.2

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ATTACHMENT F

MAINTENANCE SERVICES

EQUIPMENT AND FACILITIES COVERED

ENGIE Services U.S. will perform preventive maintenance services ("Maintenance Services") as set forth in this Attachment F with respect to Generating Facilities being constructed on County's property at the following Project Locations:

Site Name	Site Address	City	State	Zip Code
Civic Center	240 Church Street	Salinas	CA	93901
Information Technology Department	1590 Moffett Street	Salinas	CA	93905

Capitalized terms used in this Attachment F and not defined in the Contract, have the meanings set forth below:

I. Definitions

"**Annual Maintenance Fee**" means a fee payable annually in advance by County to ENGIE Services U.S., in consideration of the provision of up to twenty (20) years of Maintenance Services. The Annual Maintenance Fee for the first Measurement Period will be Twenty-Two Thousand One Hundred Thirty-Eight Dollars ($22,138.00). The Annual Maintenance Fee will be increased annually thereafter at the rate of five percent (5%) per annum for the first ten (10) Measurement Periods, each increase to be effective on the first day of the corresponding Measurement Period. The Annual Maintenance Fee for each Measurement Period after the tenth (10^{th}) Measurement Period will be negotiated in good faith by the Parties, not later than ninety (90) days prior to the end of the preceding Measurement Period, on the basis of then-prevailing market rates for, e.g., labor and equipment.

II. Term

So long as Customer pays to ENGIE Services U.S. the Annual Maintenance Fee, ENGIE Services U.S. will provide the Maintenance Services, as described herein, up to twenty (20) years from the M&V Commencement Date on an annualized basis. At the end of this term, County may:

a. Enter into another agreement with ENGIE Services U.S. to perform Maintenance Services
b. Enter into an agreement with another service provider.
c. Self-perform preventive maintenance.

III. Annual Maintenance Fee; Reporting

The Annual Maintenance Fee for the first Measurement Period will be invoiced by ENGIE Services U.S. to Customer in a lump sum on the M&V Commencement Date. All subsequent Annual Maintenance Fees will be invoiced by ENGIE Services U.S. on the first day of the corresponding Measurement Period. County, or its designee, will pay ENGIE Services U.S. such Annual Maintenance Fee, without any retention amount withheld, within thirty (30) calendar days after its receipt of the corresponding invoice. Any failure to timely pay the Annual Maintenance Fee in accordance with this Attachment F will be a material default by Customer, and ENGIE Services U.S., in addition to any other legal, contractual and equitable remedies available to it, will have no obligation thereafter to provide Maintenance Services.

Any amount not paid when due will, from and after the due date, bear Interest. Accrued and unpaid Interest on past due amounts (including Interest on past due Interest) will be due and payable upon demand.

The Annual Maintenance Fee is not refundable for any reason.

Upon completion of any maintenance or repair work, ENGIE Services U.S. will update service logs detailing the work performed, location and any notes relevant to safe and efficient operations. These service logs will be compiled and submitted to County on a quarterly basis.

If ENGIE Services U.S. is no longer the provider of Maintenance Services, County's new provider will maintain similar service logs. ENGIE Services U.S. will have reasonable access to inspect service logs to determine that adequate Maintenance Services are being performed.

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IV. Preventive Maintenance Services Provided

ENGIE Services U.S. will provide the following Maintenance Services during the term:

a. Inspection: Inspect PV modules, combiner boxes, inverters, isolation transformers, and PV service roof penetrations and support structure on an annual basis.

b. Testing: Perform voltage testing, amperage testing, and infrared scans of inverters, combiner boxes, disconnects and switchgear on an annual basis.

c. Monitoring: Monitor system performance on a daily basis.

d. Cleaning:

   i. Remove dust, dirt, and debris from outside cabinets of combiner boxes, inverters, transformers, and disconnect switches on an annual basis.

   ii Wash PV modules and remove accumulated dust and debris on a twice annual basis.

V. Repair Services

If a Generating Facility is damaged and requires safe-off, repair, demolition and/or reconstruction, or otherwise requires repair outside of warranty or outside of the Maintenance Services described in Section 3.01, County must contact the ENGIE Services U.S. PV Operations & Maintenance Manager and submit a request for quotation. ENGIE Services U.S. will inspect the damage and provide a written quotation and complete scope of work to County to restore the Generating Facility to normal operational condition. Before proceeding with repairs, ENGIE Services U.S. and County must execute a Work Order, on ENGIE Services U.S.'s form, a sample of which is attached hereto as Exhibit F-1, for the agreed scope of work and quotation amount. Quotations for repair work are calculated on a time and materials basis. Standard Business Hours are M-F, 7am to 5pm. Non-business Hours & Saturdays equals 1.5x Rates. Sundays & Holidays equals 2.0x Rates.

VI. Labor Category	Straight Time	
Hourly Rate – PV Electrical Journeyman Technician[1]	$/hr.	County Labor Rate
Hourly Rate – PV Electrical Apprentice Technician[1]	$/hr.	County Labor Rate
Hourly Rate – Senior PV Tech/Commissioning[2]	$/hr.	$175.00
Hourly Rate – Engineering[2]	$/hr.	$185.00
Hourly Rate – Project Management [2]	$/hr.	$230.00
Hourly Rate – Administrative[2]	$/hr.	$108.00
Mileage	$/Mi	$1.00
Material mark-up %	%	15%
Lift rental fee	$	Current Market Price

[1] *Trade Hourly rate will be adjusted based on the current year of the local prevailing wage determination plus burden, requirement for either travel or subsistence and lodging, and markup for services being requested*.

[2] *Escalated according to inflation rate of the year in which service occurs.*

VII. Warranty Services

The ENGIE Services U.S. PV Operations & Maintenance Manager will also be County's point of contact for all issues related to the ENGIE Services U.S. Warranty set forth in Section 9.01 of the Contract. County should refer to Section 9.02 of the Contract for services provided by ENGIE Services U.S. to County in relation to manufacturer's warranties. The terms and conditions of the relevant manufacturer's warranties can be found in the operation and maintenance manuals delivered to County at Final Completion.

VII. Services and Equipment to Be Covered by County

ENGIE Services U.S.'s obligations under this Attachment F are expressly conditioned upon County's payment of the Annual Maintenance Fee and providing and being responsible for the following, without cost to ENGIE Services U.S.:

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a. Making the Generating Facilities described herein available to ENGIE Services U.S. as of the Contract Effective Date.
b. Operating and maintaining security systems associated with the Generating Facilities.
c. Inverter manufacturer warranty or replacement beyond the ten (10) year manufacturer term.
d. Maintaining all landscaping in and around Generating Facilities including tree trimming.
e. In order to ensure maximum guaranteed solar PV system generation, the County will be responsible for regular tree trimming and maintenance of one (1) tree at Information Technology Department as noted in Attachment C to not grow above thirty feet (30') in height and maintain ten feet (10') of horizontal distance from the edge of the array.
f. Allowing ENGIE Services U.S. and its personnel access as necessary to the Generating Facilities, and any related areas that may be reasonably necessary for performance of the Maintenance Services, including reasonable work, parking, and equipment staging areas.
g. Allowing ENGIE Services U.S. and its personnel to access electrical power and other utilities then existing at the Generating Facilities as necessary for ENGIE Services U.S. to satisfy its obligations under the Contract.
h. Remediating, pursuant to Applicable Law, any known Hazardous Substances encountered by ENGIE Services U.S. during the performance of the Maintenance Services which Hazardous Substances were not deposited by ENGIE Services U.S., including any backfill with clean soil as may be reasonably required.
i. Insuring the Generating Facilities against loss due to acts of God and the public enemy; flood, earthquake, tornado, storm, fire; civil disobedience, sabotage, and vandalism.
j. Timely reporting of, and permitting timely repair of, Generating Facilities damaged by County Persons or third parties, including damage resulting from parking lot activities. Cost of repairs is the responsibility of County.

ENGIE Services U.S. will have no obligation to provide the Maintenance Services to the extent such provision of Maintenance Services is materially adversely affected by County's failure to satisfy the conditions set forth in this Attachment F.

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EXHIBIT F-1
FORM OF WORK ORDER

Work Order #__

This Work Order ("Work Order") dated _____ ("Work Order Effective Date") is issued pursuant to and is subject to the terms and conditions of the Energy Services Agreement ("Agreement") by and between ENGIE Services U.S. Inc. ("ENGIE Services U.S.") and _____ ("Customer") dated _____. The terms and conditions of the Agreement are hereby incorporated into and made a part of this Work Order for all purposes.
Project Name:
Scope of Work:
Electrical and Structural Repairs:

Exclusions: [*edit, as needed*]

- Premium Time or Over Time
- Work on Nights or Weekends
- Cutting, Patching or Painting
- Permitting
- Plan Revisions
- Review/Edit/Writing of Specifications
- Geotechnical Reports/Inspections
- PLA/PSA Agreements
- Irrigation System Inspection/Repairs
- Landscape Repair/Tire Track Removal
- Landscape Maintenance
- Infestations

Cost Estimate: [*insert*]

Pricing assumes State prevailing wages for on-site labor. Quote valid for 30 days.
Payment to ENGIE Services U.S. is not contingent on Customer's receipt of any insurance proceeds and will be invoiced by ENGIE Services U.S. to Customer in a lump sum upon the completion of the work under this Work Order.

Acceptance and Notice to Proceed
By signing below, Customer agrees to the terms and conditions set forth in this Work Order and authorizes ENGIE Services U.S. to proceed with the scope of work set forth herein.

The Parties may execute this Work Order in counterparts, each counterpart constituting an original, and all counterparts, collectively, constituting only one Work Order. The signatures of each Party need not appear on the same counterpart, and in the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature will create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

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IN WITNESS WHEREOF, and intending to be legally bound, the Parties hereto subscribe their names to this Work Order by their duly authorized officers as of the Work Order Effective Date.

CUSTOMER:	**ENGIE:**
(type Customer name here)	ENGIE Services U.S. Inc.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

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ATTACHMENT G

SCHEDULE OF VALUES

Civic Center	**$5,242,600**
Mobilization (20%)	**$1,048,520**
Canadian Solar 545w Modules	$379,539
Preliminary Engineering	$668,981
Solar PV	**$3,312,960**
Engineering	$331,296
Equipment	$993,888
Labor	$1,987,776
EV Charging	**$881,120**
Engineering	$88,112
Equipment	$264,336
Labor	$528,672
Information Technology Department	**$3,297,100**
Mobilization (20%)	**$659,420**
Canadian Solar 545w Modules	$238,695
Preliminary Engineering	$420,725
Solar PV	**$2,233,360**
Engineering	$223,336
Equipment	$670,008
Labor	$1,340,016
EV Charging	**$404,320**
Engineering	$40,432
Equipment	$121,296
Labor	$242,592
Total	**$8,539,700**

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APPENDIX 1

SCHEDULED COMPLETION DATES

The table below shows the Scheduled Completion Dates for the Project. These dates may be adjusted based on Excusable Events as defined in this Contract, or due to an executed Change Order.

Milestone	Duration from a Signifying Event	Signifying Event
County and ENGIE Execute Design Build Agreement	0 Days	
Notice To Proceed	10 Days	Contract Execution
Submittal of 60% Drawing Sets	40 Days	Notice to Proceed
County Responses to 60% Drawing Sets	10 Days	Submittal of 60% Drawing Sets
Submittal of 90% Drawing Sets	60 Days	Notice to Proceed
County Responses to 90% Drawing Sets	10 Days	Submittal of 90% Drawing Sets
Submittal of Final Engineering Drawings for Permit	85 Days	Notice to Proceed
Construction Start	90 Days	Permit Approvals
County Civic Center Substantial Completion	230 Days	Permit Approvals
Information Technology Department Substantial Completion	230 Days	Permit Approvals
Final Completion	500 Days	Permit Approvals

Note: This Schedule assumes that the County will reply to all Submittals and Requests for Information (RFIs) within ten (10) business days. Any delays in responses to Submittals or RFIs beyond this time will extend the schedule and may result in a corresponding Change Order.

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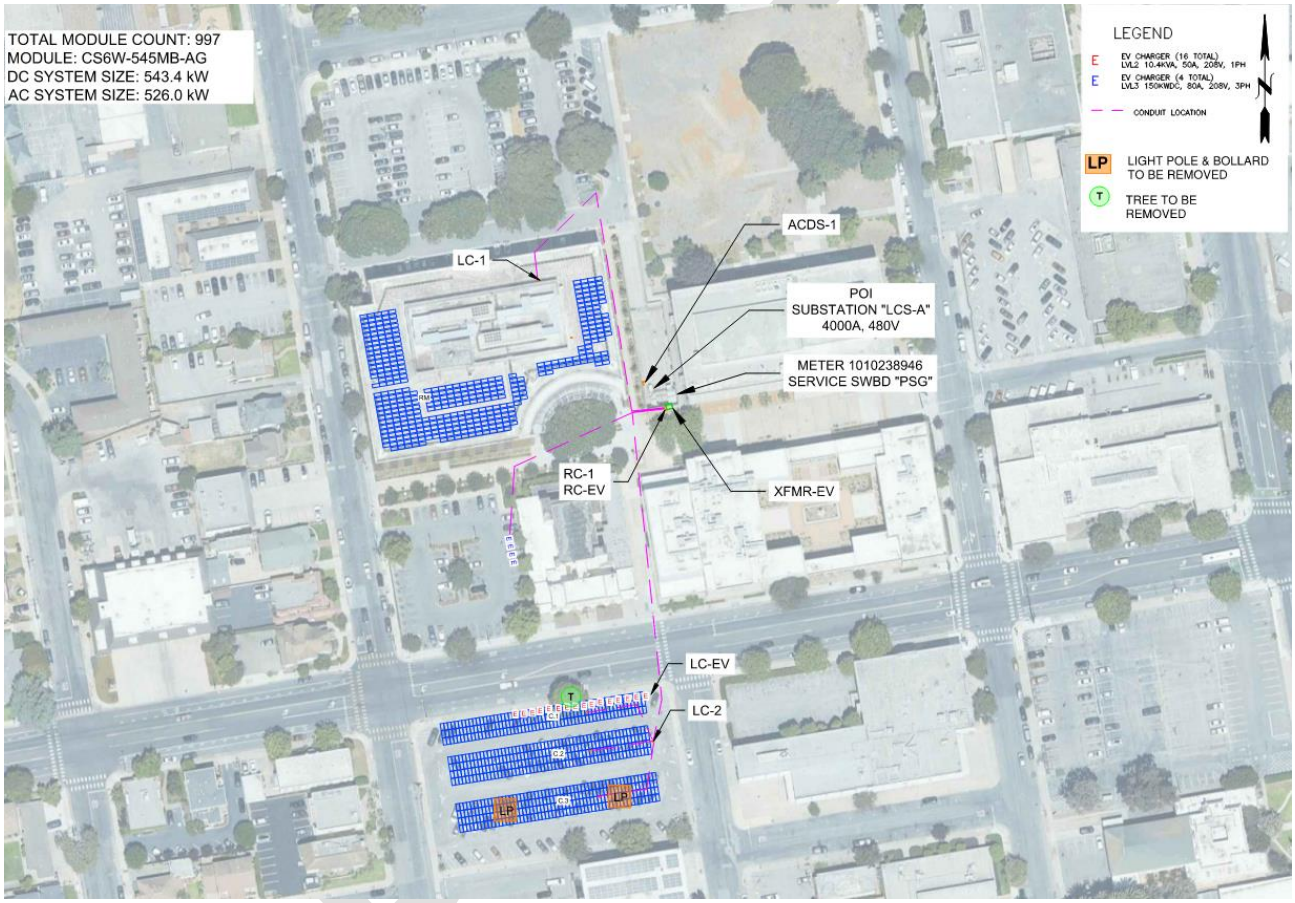
APPENDIX 2

PROVISIONAL SOLAR PV AND ELECTRIC VEHICLE CHARGING STATION LAYOUTS

Figures 1 through 2 show the provisional locations of the Solar PV structures and the EV charging stations.

- Orange “LP” designates light poles that will need to be removed.
- Green “T” designates trees and other vegetation that will need to be removed and/or trimmed.

Figure 1 – Civic Center



Docusign Envelope ID: B4B61FA8-D71E-4777-A79A-56DA6757C9F1

Figure 2 – Information Technology Department

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Introduced: 8/20/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

a. Consider the County's Draft Expenditure Plan for the State of California Department of State Hospitals (DSH) to expend up to $1,425,000 for the County's FY 2023-24 Incompetent to Stand in Trial (IST) growth cap and penalty per Welfare & Institutions Code (W&I Code) Section 4336;
b. Authorize the County Administrative Officer or designee to adjust and edit the County's Draft Expenditure Plan to DSH prior to finalization for submission by August 29, 2025, so long as edits do not substantially change the scope of the plan; and,
c. Approve and authorize the County Administrator Officer or designee to submit the final Expenditure Plan to DSH by August 29, 2025.

RECOMMENDATION:
It is recommended that the Board of Supervisors

a. Consider the County's Draft Expenditure Plan for the State of California Department of State Hospitals (DSH) to expend up to $1,425,000 for the County's FY 2023-24 Incompetent to Stand in Trial (IST) growth cap and penalty per Welfare & Institutions Code (W&I Code) Section 4336;
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c. Approve and authorize the County Administrator Officer or designee to submit the final Expenditure Plan to DSH by August 29, 2025.

SUMMARY/DISCUSSION:
The County Administrative Office (CAO) seeks approval to submit the County's Incompetent to Stand Trial (IST) Growth Cap Expenditure Plan to the California Department of State Hospitals (DSH), as required under Welfare & Institutions Code (W&I Code) Section 4336, to address the County's felony IST growth cap and associated penalty payment.

The California Felony IST Growth Cap Program, established by Senate Bill 184 and codified in W&I Code Section 4336, sets an annual limit on felony IST determinations for each county. It encourages counties to redirect funds toward initiatives that divert individuals with serious mental illnesses from the criminal justice system, aiming to reduce felony IST commitments. Counties exceeding their IST baseline face financial penalties, which are deposited into the State Mental Health Diversion Fund to support local diversion programs. The penalty structure is tiered: 50% of the state hospital treatment rate for the fifth through seventh individuals above the baseline, 75% for the eighth and ninth, and 100% for the tenth and beyond. Starting in FY 2026-27, penalties will increase to 100% for the third and subsequent overages for counties

with DSH diversion contracts, and 150% for those without, highlighting the need to strengthen local diversion efforts.

The County's baseline, based on FY 2021-22 data, is 59 felony IST determinations annually. In FY 2022-23, the County recorded 44 commitments, staying below the cap. However, in FY 2023-24, the County had 84 commitments, exceeding the cap by 25, resulting in a $1,425,000 penalty owed to DSH. With Board approval, this penalty was funded through FY 2024-25 General Fund Contingencies.

Per DSH requirements, counties exceeding their growth cap must submit an expenditure plan to access 100% of their remitted penalty funds from the Mental Health Diversion Fund. The plan must outline strategies to reduce felony IST determinations through pre-booking diversion, post-booking diversion, or re-entry services. The CAO collaborated with the Public Defender's Office, District Attorney's Office, Probation, and the Health Department's Behavioral Health Bureau to develop a comprehensive plan to minimize future IST growth cap penalties. Attached is the County's draft expenditure plan based on the DSH template and the $1,425,000 penalty amount. Staff recommends submitting the Expenditure Plan as soon as possible.

OTHER AGENCY INVOLVEMENT:
The CAO has created a workgroup between the Public Defender's Office, District Attorney's Office, Probation, and Health Department Behavioral Health Bureau to strategize on the County's approach to minimize or prevent future IST Growth Cap penalties.

FINANCING:
Approval of the draft plan will have no impact on the General Fund; however, submission of the plan to the State will enable the County to access the $1,425,000 in penalty funding that will be used to expand the reach of mental health diversion.

Prepared by: Kevin Serrano, Deputy County Counsel III
Approved by: Nicholas E. Chiulos, Chief Assistant County Administrative Officer

Attachment:
Draft Expenditure Plan

Introduced: 8/20/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** General Agenda Item

a. Consider the County's Draft Expenditure Plan for the State of California Department of State Hospitals (DSH) to expend up to $1,425,000 for the County's FY 2023-24 Incompetent to Stand in Trial (IST) growth cap and penalty per Welfare & Institutions Code (W&I Code) Section 4336;
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OTHER AGENCY INVOLVEMENT:
The CAO has created a workgroup between the Public Defender's Office, District Attorney's Office, Probation, and Health Department Behavioral Health Bureau to strategize on the County's approach to minimize or prevent future IST Growth Cap penalties.

FINANCING:
Approval of the draft plan will have no impact on the General Fund; however, submission of the plan to the State will enable the County to access the $1,425,000 in penalty funding that will be used to expand the reach of mental health diversion.

Prepared by: Kevin Serrano, Deputy County Counsel III
Approved by: Nicholas E. Chiulos, Chief Assistant County Administrative Officer

Attachment:
Draft Expenditure Plan

Point of Contact Information

Name: Sonia De La Rosa
Title: Administrative Officer
Organization: County Administrative Office
County: Monterey

A. Program/Project Title: **County of Monterey Mental Health Diversion Expansion**

B. Project Funds: **$1,425,000**

C. IST Impact: **Post-Booking Mental Health Diversion**

This funding would expand the reach of mental health diversion under Penal Code section 1001.36 to individuals charged with a felony and pending a competency determination. The use of Growth Cap funds will reduce felony IST commitments by identifying suitable candidates post-booking and before an IST determination. In FY 2023-24, there were 83 defendants in Monterey County who were committed because they were found incompetent to stand trial. A granular review of these cases ascertained that approximately 1/3 of those individuals were appropriate for diversion if the Project Scope (see below) had been in effect.

D. Project Scope

Pursuant to Welfare and Institutions Code section 4336(c)(2)(B), $1,425,000 will be directed to post booking mental health diversion to serve those with serious mental illness and who are likely to be found incompetent to stand trial, to prevent the incompetent to stand trial determination, and divert the individual from incarceration. The target population that shall be served are individuals diagnosed with a mental disorder as identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, including, but not limited to, bipolar disorder, schizophrenia, and schizoaffective disorder but excluding a primary diagnosis of antisocial personality disorder and pedophilia, and who are presenting non-substance-induced psychotic symptoms. The amount of funds shall equal the amount invoiced by DSH. After declaration of a doubt concerning competence and a forensic conclusion by a clinical psychologist or psychiatrist that a defendant is presently IST and eligible for diversion, all persons charged with the following felony crimes shall be evaluated by the Public Defender and District Attorney for suitability for diversion: vandalism, obstructing or resisting an officer, arson, and theft, including taking a vehicle without the owner's consent. In addition, any other case deemed worthy of review by the Public Defender shall also be reviewed by the District Attorney.

Following review by the Public Defender and District Attorney and prior to a recommendation of diversion being made to the court, there will be a review by an Interdisciplinary Team (IDT) comprised of representatives from the Public Defender, District Attorney, Probation, and Behavioral Health to determine whether to move forward with a recommendation of diversion. From a granular review of these cases, appropriate candidates for diversion will be identified. Upon agreement by the IDT, and in compliance with Penal Code section 1001.36, the Public

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Defender and District Attorney will recommend diversion to the court in lieu of further IST proceedings, including a competency finding.

The Public Defender will require both attorney and social worker involvement from the outset to successfully implement the proposed diversion program. Attorneys will provide the necessary legal advocacy, case review, and court representation, while social workers will contribute their specialized training in engaging clients with mental health challenges, conducting assessments, and connecting them to appropriate services. Together, this collaboration ensures early engagement, thorough case preparation, and coordinated support throughout the diversion process. By integrating legal expertise with behavioral health resources, the program will foster better client outcomes, reduce recidivism, and relieve pressure on the judicial system and the Department of State Hospitals. The total annual cost for these combined services is $170,000.

The District Attorney will require both victim advocate and attorney involvement to ensure that victims are fully informed and that diversion cases are handled efficiently. The victim advocate will serve as the primary point of contact for victims, explaining the incompetent to stand trial determination and any court-ordered diversion, determining restitution amounts for hearings and orders pursuant to Penal Code section 1001.36(f)(1)(D), keeping victims apprised of proceedings while a defendant is on diversion, and ensuring that victims are informed of their rights under Article I, section 28(b) of the California Constitution (Marsy's Law). Attorneys will provide the necessary legal review, case preparation, and court representation to support these cases from start to finish. The combined annual cost for these services is estimated at $170,000.

Behavioral Health will receive referrals from the Public Defender and will review the referral packet, including the report of forensic conclusion by a clinical psychologist or psychiatrist that a defendant is presently IST and eligible for diversion, and proceed with further internal review and clinical assessment. This will include meeting with the incarcerated person at the county jail for outreach and engagement, and to conduct further behavioral health screening and assessment as needed to determine eligibility and appropriate level of care placement recommendations, and availability/suitability of community-based options. Behavioral Health treatment recommendations will be reviewed at IDT.

In instances where IDT recommends moving forward with recommendation to the court by the Public Defender and District Attorney for diversion, Behavioral Health will proceed with preparing the required treatment plan report to be used in the court's consideration and determination of the appropriateness for diversion.

Behavioral Health will provide case management for those granted diversion by the court throughout the duration of the diversion program, provided individuals remain residents of Monterey County and are eligible for Specialty Mental Health Services in Monterey County. This will include coordinating additional care and treatment as needed by the individual and providing referrals to appropriate services and treatment providers. Behavioral Health to provide regular progress review updates on these diversion clients to the court.

Behavioral Health will require a multi-disciplinary team made up of Social Workers, Psychiatric Social Workers, and other Behavioral Health professionals to provide the required outreach, engagement, screening, and assessment in the county jail, which is not billable to Medi-Cal or other funding streams. Behavioral Health will need funding to review records, prepare court reports, and for staff time in court, which are also non-billable activities. The estimated costs for these activities are projected at $651,000.

Probation will assist in the IDT screening of potential cases for consideration for potential release to the community and provide input about community supervision, including making recommendations for the appropriateness of electronic monitoring or imposition of other special pretrial monitoring conditions, such as alcohol and narcotic screening, appropriate treatment referrals, and monitored compliance with any prescribed medications and treatment recommendations made by Behavioral Health.

If the case is approved by the court for pretrial release from custody to diversion services, the assigned probation officer will work directly with the Behavioral Health care coordinator and the medical provider in the jail to ensure they have appropriate medications and prescriptions upon release, coordinate appropriate referrals and transportation to services and/or housing identified in the treatment plan, and provide support and supervision while in the community. Once released, individuals will be monitored by Pretrial Services and expected to engage in treatment services as directed by the Court and recommended by Behavioral Health, as well as comply with other terms and conditions ordered by the Court. Individuals will be expected to attend all court hearings and will be considered to have successfully exited the program once their diversion program is deemed resolved by the court. The Probation Department will provide regular input to the court regarding compliance with pretrial release conditions of supervision and progress made towards rehabilitative goals, as appropriate.

The Probation Department will need funding to provide pretrial supervision of these offenders in the community, including the cost of any electronic monitoring technology that may be required as a component of their participation. Additionally, the Probation Department would require funding to assist with the review of records, preparation of court reports, and staffing requirements for court appearances. The estimated costs for these activities are projected at $434,000.

E. Project Outcomes

Based on our review of ISTs from FY 2023-24, over 37% of ISTs were eligible and suitable for diversion based solely on the charges listed in our Project Scope. Upon a granular review of those cases from FY 2023-24, including the case facts, defendant's prior record, and Penal Code section 1001.36, 80% of these defendants would have been deemed eligible and suitable for diversion under our Project Scope, totaling 25 defendants. That fiscal year we were 25 defendants over our IST cap. Therefore, we believe the scope of our project as designed will bring us within our cap moving forward. Once our project is initiated, a granular review of other cases with other charges should yield additional defendants who are eligible and suitable for diversion. Additionally, the program outcomes are expected to show increased engagement with treatment, as well as a decrease in recidivism for those who are connected to services.

The following metrics will be tracked to measure and evaluate outcomes for each fiscal year:

1. **Number of defendants evaluated for incompetence to stand trial (IST)** – total individuals assessed for IST status during the year.
2. **Number of IST defendants diverted** – total IST-designated defendants accepted into a diversion program.
3. **Number of IST commitments** – total IST-designated defendants committed to the Department of State Hospitals or other custodial treatment.
4. **Ongoing projections for each metric** – updated forecasts of annual totals for each metric as the fiscal year progresses.
5. **Number of IST defendants who are successfully diverted** – defendants who meet all diversion program requirements and are successfully diverted.
6. **Number of diverted IST defendants who do not successfully complete diversion and who count toward the growth cap** – includes all diversion participants whose failure counts toward statutory growth cap limits.

Introduced: 8/4/2025

Current Status: Housing & Community Development - Consent

Version: 1

Matter Type: BoS Resolution

a. Approve and authorize the County Administrative Officer or designee to sign and submit an application for $2,779,696 for funding from the California Department of Housing and Community Development Homeless Housing, Assistance and Prevention Program Round Six (HHAP-6);
b. Approve and authorize the County Administrative Officer or designee to execute the state funding agreement, with the California Department of Housing and Community Development for HHAP-6 for a term ending June 30, 2029, for an amount estimated at $2,779,696;
c. Approve and authorize the County Administrative Officer or designee to sign all future HHAP-6 funding amendments on behalf of the County for continued funding from the California Department of Housing and Community Development for a term ending June 30, 2029; and
d. Approve and authorize the County Administrative Officer or designee, to sign and execute a Memorandum of Understanding (MOU) with the County of San Benito and the Coalition of Homeless Services Providers committing the County of Monterey to collaborate on implementation of the key actions included in the regional grant submission.

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a Resolution to:
a. Approve and authorize the County Administrative Officer or designee to sign and submit an application for $2,779,696 for funding from the California Department of Housing and Community Development Homeless Housing, Assistance and Prevention Program Round Six (HHAP-6);
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SUMMARY/DISCUSSION:
On February 24, 2025, the California Department of Housing and Community Development (HCD) released a Notice of Funding Availability for a sixth round of Homeless Housing, Assistance and Prevention (HHAP) Program funding for $760 million authorized by Section 13 of Assembly Bill (AB) and signed into law by Governor Gavin Newson on July 2, 2024. The HHAP Program requires regional collaboration and alignment among Continuums of Care (CoCs), counties, and large cities to address homelessness through a unified approach. Pursuant to Health and Safety Code Section 50240(f), applicants for HHAP Round 6 (HHAP-6) funding must submit a Regionally Coordinated Homelessness Action Plan (Action Plan) that is supported by a formal Memorandum of Understanding (MOU) between all eligible applicants.

This MOU establishes the collaborative framework and partnership among the County of Monterey, the County of San Benito, and the Coalition of Homeless Services Providers (CHSP), the lead agency for the Monterey and San Benito Counties Continuum of Care (CA-506). Award of HHAP-6 funds require each entity's commitment to shared roles and responsibilities in implementing the HHAP-6 Action Plan and improving key statewide System Performance Measures, including reducing unsheltered homelessness, increasing exits to permanent housing, and preventing first-time homelessness among individuals exiting institutional settings such as jails, prisons, and hospitals. The MOU reinforces regional commitments to racial and gender equity, strategic use of funding resources, and coordinated outreach, housing, and service delivery efforts as outlined in the region's adopted Lead Me Home 5-Year Plan to Reduce Homelessness.

The term of this MOU is from August 29, 2025, through June 30, 2029, with automatic renewal unless terminated by one of the parties with advance written notice. This agreement ensures continued eligibility for HHAP-6 funding and solidifies the regional partnership necessary to advance a coordinated and effective response to homelessness.

Allocations for HHAP-6 co-applicants are as follows:

	Total Allocation	Youth Set-Aside	Administrative Costs
County of Monterey	$ 2,779,695.60	$ 277,969.56	$ 194,578.69
San Benito County	$ 708,616.98	$ 70,861.70	$ 49,603.19
Continuum of Care	$ 3,725,577.82	$ 372,557.78	$ 260,790.45
	$ 7,213,890.40	$ 721,389.04	$ 504,972.33

The County may elect to allocate up to one percent (1%) ($27,796.96) of their HHAP-6 allocation to cover expenses associated with the Homeless Management Information System.

The HHAP-6 eligible use categories have significantly changed from previous rounds, particularly in how jurisdictions are required to document sustainable funding for existing and proposed permanent housing before any new interim housing or non-housing solutions are funded by HHAP-6.

Approval of the recommended actions allows the County Administrative Officer or designee to

apply for the HHAP-6 allocation and execute all documents (MOU, application, standard funding agreements, amendments, etc., required for the award). The regional partners will also be going to their respective Boards; therefore, all parties will be signing tandem due to the application deadline.

OTHER AGENCY INVOLVEMENT:
This MOU is with the Coalition of Homeless Services Providers, as the Continuum of Care lead agency, and the County of San Benito. The Office of the County Counsel-Risk Management has approved the MOU as to form.

FINANCING:
This action does not impact the General Fund.
BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
This initiative correlates to the Health & Human Services Strategic Initiative adopted by the Board of Supervisors by working collaboratively to address and develop a plan for ending homelessness.

Mark a check to the related Board of Supervisors Strategic Initiatives

__Economic Development
__Administration
_X_Health & Human Services
__Infrastructure
__Public Safety

Prepared by: Roxanne Wilson, Homeless Services Director, CAO-HSI Division, ext 5445
Approved by: Deborah Paolinelli, Assistant County Administrative Officer, ext 5309

Attachments:
Draft Resolution
Attachment A: Memorandum of Understanding
Attachment B: Funding Plan
Attachment C: HHAP-6 2025 Notice of Funding Availability
Attachment D: HHAP-5 2024 Resolution
Attachment E: HHAP-5 2024 Memorandum of Understanding

Introduced: 8/4/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** BoS Resolution

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Mark a check to the related Board of Supervisors Strategic Initiatives

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__Administration
_X_Health & Human Services
__Infrastructure
__Public Safety

Prepared by: Roxanne Wilson, Homeless Services Director, CAO-HSI Division, ext 5445
Approved by: Deborah Paolinelli, Assistant County Administrative Officer, ext 5309

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Before the Board of Supervisors in and for the County of Monterey, State of California

Resolution No.:

Adopt a Resolution to:

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d. Authoriz the County Administrative Officer or designee, to sign and execute a Memorandum of Understanding (MOU) with the County of San Benito and the Coalition of Homeless Services Providers committing the County of Monterey to collaborate on implementation of the key actions included in the regional grant submission.

RECITALS:

WHEREAS, the County Board of Supervisors hereby approves the submission to the California Department of Housing and Community Development (HCD) an application for the Homeless Housing, Assistance and Prevention Program Round Six (HHAP-6) funding allocation in the amount of $2,779,696, which includes operating support for our local shelter and navigation centers, support services coordination, rapid rehousing, and related services for the benefit of our local homeless population;

WHEREAS, the County Board of Supervisors hereby authorizes the County Administrative Officer or designee, to approve and execute a Memorandum of Understanding (MOU) formalizing the

partnership for the operation of this HHAP-6 Program between the County of Monterey, the County of San Benito, and the regional Continuum of Care (CoC);

WHEREAS, the County acknowledges compliance with all state and federal public participation requirements in the development of its application;

WHEREAS, the County hereby authorizes and directs the County Administrative Officer or designee, to sign and deliver the application and act on the County's behalf in all matters pertaining to the HHAP-6 application;

WHEREAS, if an application is approved, the County Administrative Officer or designee is authorized to sign and execute the funding agreement and all subsequent amendments thereto with the State of California for the purposes of the HHAP-6 funds;

WHEREAS, the County Counsel will review and approve the standard state funding agreement, as well as any future amendments, as to form before the County Administrative Officer or designee signs and returns the agreement to HCD; and

WHEREAS, the estimated grant revenues is $2,779,695 over a four (4) year grant period ending June 30, 2029 with $277,970 budgeted to Youth Set-Aside, and $194,579 budgeted to the County Administrative Officer Homelessness Strategies and Initiative Division's administrative fees, and the remaining $2,307,178 for operating support for our local shelter and navigation centers, support services coordination, rapid rehousing, permanent supportive housing, and related services for the benefit of our local homeless population.

NOW, THEREFORE, BE IT RESOLVED THAT, the County of Monterey Board of Supervisors hereby:

a. Authorize the County Administrative Officer or designee to sign and submit an application for $2,779,696 for funding from the California Department of Housing and Community Development Homeless Housing, Assistance and Prevention Program Round Six (HHAP-6);
b. Authorize the County Administrative Officer or designee to execute the state funding agreement, with the California Department of Housing and Community Development for HHAP-6 for a term ending June 30, 2029, for an amount estimated at $2,779,696;
c. Authorize the County Administrative Officer or designee to sign all future HHAP-6 funding amendments on behalf of the County for continued funding from the California Department of Housing and Community Development for a term ending June 30, 2029; and
d. Authorize the County Administrative Officer or designee, to sign and execute a Memorandum of Understanding with San Benito County and the Coalition of Homeless Services Providers on the partners' key action plans/timeframes included in the regional grant submission for a term of August 29, 2025, to June 30, 2028, with an auto renewal clause and 120 day notice to terminate.

PASSED AND ADOPTED on this _____ day of _____, 2025 by the following vote, to wit:

AYES:
NOES:
ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof Minute Book _____, for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By: _____
Deputy

MEMORANDUM OF UNDERSTANDING (MOU)
BETWEEN COUNTY OF MONTEREY, SAN BENITO COUNTY, AND THE COALITION OF HOMELESS SERVICES PROVIDERS (CHSP)

This Memorandum of Understanding ("MOU") is entered into as of the last date opposite the respective signatures (the "Effective Date"), by and between the County of Monterey, the County of San Benito, political subdivisions of the State of California, and The Coalition of Homeless Services Providers, a public non-profit 501(C)(3) corporation (collectively, "PARTIES").

I. RECITALS

a. **WHEREAS** the County of Monterey is responsible for a range of activities relating to homelessness response within the county, managed through the County Administrative Office, Department of Social Services, Health Department, Behavioral Health Bureau, and Department of Housing and Community Development; and

b. **WHEREAS** San Benito County is responsible for a range of activities relating to homelessness response within the county, managed through the Health and Human Services Agency (HHSA); and

c. **WHEREAS** the Coalition of Homeless Services Providers (CHSP) is the lead entity responsible for coordinating the regional Continuum of Care (CoC) for Monterey and San Benito Counties (CA-506) and for convening the CoC Leadership Board and subcommittees; and

d. **WHEREAS** the CoC, County of Monterey, and San Benito County ("eligible applicants") are each recipient of Homeless Housing, Assistance and Prevention (HHAP) funding from the State of California, and per HSC section 50240(f), the Regionally Coordinated Homelessness Action Plan must be reflected in a Memorandum of Understanding (MOU) and submitted as part of the HHAP application; and

e. **WHEREAS** all eligible applicants adopted the Lead Me Home 5-Year Plan to Reduce Homelessness in Monterey and San Benito Counties (July 2021 to June 2026); and

f. **WHEREAS** the eligible applicants recognize that each entity has distinct responsibilities for addressing homelessness but also many overlapping and shared responsibilities; and

g. **WHEREAS** the eligible applicants recognize that each entity receives and manages distinct funding sources that together support the strategies identified in the Lead Me Home Plan;

NOW IN CONSIDERATION OF THESE PREMISES, THE PARTIES AGREE AS FOLLOWS:

II. PURPOSE

The purpose of this MOU is to commit each signatory to uphold, participate in, and comply with the actions, roles, and responsibilities of each of the eligible applicants in the region as described in the HHAP-6 Regionally Coordinated Homelessness Action Plan and summarized below.

III. ROLES AND RESPONSIBILITIES OF ALL PARTIES

a. The signatories commit to the roles and responsibilities of each eligible applicant within the region as they pertain to outreach and site coordination, siting and use of available public land, the development of interim and permanent housing options, and coordinating, connecting, and delivering services to individuals experiencing homelessness or at risk of experiencing homelessness, within the region, as described in Sections 3.a.1 through 3.1.4 in the HHAP-6 Regionally Coordinated Homelessness Action Plan.

b. The signatories commit to the roles and responsibilities of each eligible applicant to implement Key Actions, as described in Section 3.b in the HHAP-6 Regionally Coordinated Homelessness Action Plan, that directly contribute to improved system performance in alignment with California's System Performance Measures (CA SPM), including but not limited to:

i. Reducing the number of people experiencing unsheltered homelessness by expanding access to low-barrier interim housing and outreach services that prioritize engagement, connection to services, and rapid resolution strategies for those residing in encampments or places not meant for human habitation;
ii. Increasing the number of people exiting homelessness into permanent housing by enhancing housing-focused case management, leveraging housing navigation resources, and prioritizing access to permanent supportive housing, rapid re-housing, and other long-term housing placements with appropriate wraparound supports;
iii. Reducing first-time instances of homelessness among individuals exiting institutional settings, including but not limited to jails, prisons, and

hospitals, by developing and strengthening discharge coordination protocols, increasing access to diversion and prevention resources, and ensuring institutional partners are integrated into coordinated entry and housing referral systems.

c. The signatories commit to the Key Actions each eligible applicant will take to ensure racial and gender equity in service delivery, housing placements, housing retention, and any other means to affirm equitable access to housing and services for racial and ethnic groups overrepresented among residents experiencing homelessness, as described in Section 3.b in the HHAP-6 Regionally Coordinated Homelessness Action Plan.

d. The signatories commit to the roles of each eligible applicant in the utilization of local, state, and federal funding programs to end homelessness, as described in Section 3.b in the HHAP-6 Regionally Coordinated Homelessness Action Plan.

IV. DURATION AND RENEWAL

The initial term of this MOU is August 29, 2025 to June 30, 2029. Except as provided in the TERMINATION section, this MOU shall renew automatically unless either party gives notification pursuant to TERMINATION section.

V. AMENDMENT/NOTICES

The MOU may be amended in writing by any of the signatories and is in effect upon the signature of all three eligible applicants. Notices shall be mailed, emailed, or delivered to HHAP administrators for eligible entities for:

a. CA-506 Salinas/Monterey, San Benito Counties Continuum of Care
b. County of Monterey
c. San Benito County

VI. TERMINATION

Any of the signatories may terminate this MOU at a date prior to the renewal date specified in the MOU by giving 120 days written notice to the other parties. The termination shall be effective on the date specified in the notice of termination.

VII. COUNTERPARTS

This MOU may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall be deemed but one and the same instrument, and a facsimile copy of such execution shall be deemed an original.

IN WITNESS WHEREOF, the parties have caused this MOU to be executed on the dates set forth below by the duly authorized representatives identified below:

COUNTY OF MONTEREY

By:_____
Deborah Paolinelli
Assistant County Administrative Officer
Date: _____

Approved as to form:
By:_____
Anne Brereton
Deputy County Counsel
Date: _____

SAN BENITO COUNTY

By:_____
Kollin Kosmicki
SBC Board of Supervisors, Chair
Date: _____

Approved as to form:
By:_____
Irish Tapia
Deputy County Counsel
Date: 07/21/2025

COALITION OF HOMELESS SERVICES PROVIDERS

By:_____
Katrina McKenzie
Executive Director
Date: _____

HHAP Round 6 Funding Expenditure Plan: Monterey County Total Allocation: $2,779,695.60

Activities HHAP-6 Funding will support	HHAP-6 Eligible Use	Total HHAP-6 Funding for this Activity	Key Action # from HHAP-6 Application 3.b Systems Performance Improvement Plan
Sustain existing interim housing	Navigation Centers	$1,500,000.00	Key Action 1
Sustain existing non-congregate interim housing	Navigation Centers	$379,147.35	Key Action 1
Develop permanent supportive housing project in partnership with City partner	YSA: Operating Subsidies/Permanent Housing	$277,969.56	Key Action 2
Sustain permanent supportive housing beds	Operating Subsidies/Permanent	$228,000.00	Key Action 3
Support HMIS related costs to ensure compliance with AB-977	HMIS	$200,000.00	Key Action 5
Admin @7%		$194,578.69	Key Action 6
Total Allocation:		**$2,779,695.60**	

Key Action Legend

Key Action 1	Key Action 2	Key Action 3	Key Action 5	Key Action 6
Sustain existing congregate and non-congregate interim housing in Monterey County.	Expand supply of PSH for Transition Age Youths.	Sustain existing inventory of PSH	Sustain system infrastructure for data analysis and planning by continuing to invest in HMIS and ensure compliance with AB-977	Carry out administrative activities to ensure compliance with State of CA HHAP-6 requirements

Homeless Housing, Assistance and Prevention Program ROUND 6 (HHAP 6)

2025 Notice of Funding Availability

Gavin Newsom, Governor
State of California

Tomiquia Moss, Secretary
Business, Consumer Services and Housing Agency

Gustavo Velasquez, Director
California Department of Housing and Community Development

651 Bannon Street, Suite 400
Sacramento, CA 95811
Telephone: (916) 263-6928

Website: https://www.hcd.ca.gov
HHAP Website: Homeless Housing, Assistance and Prevention (HHAP) Grant Program | California Department of Housing and Community Development
HHAP Round 6 Program Email: hpdhomelessnessgrants@hcd.ca.gov

February 2025

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I. OVERVIEW

The California Department of Housing and Community Development (HCD or Department) is pleased to announce the availability of Homeless Housing, Assistance and Prevention (HHAP) Program Round 6 (HHAP 6) grant funding. The intent of HHAP 6 is to reflect the state's priorities to prevent and expeditiously reduce unsheltered homelessness through homelessness prevention activities and sustain existing Interim Housing Solutions and Permanent Housing Solutions, including long-term sustainability of permanent affordable housing.

The Legislature appropriated $1 billion to fund HHAP activities in Fiscal Year 2024-2025. This NOFA makes available **$760 million in HHAP 6 Fiscal Year 2024-2025 (FY 24-25) funds to regions made up of eligible Large Cities, counties, and Continuums of Care (CoCs).**

A. Authorizing Statute

HHAP 6 is a grant program authorized by Section 13 of AB 166 (Chapter 48, Statutes of 2024; Health & Safety Code (HSC) Section 50239, et seq.), which was signed into law by Governor Gavin Newsom on July 2, 2024.

HSC section 50239(h) states that "In administering this article, the Department shall not be subject to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code)." This NOFA establishes the Department's guidelines for HHAP 6, including the terms, conditions, forms, procedures, and other mechanisms that the Department deems necessary to administer HHAP 6. The guidelines contained in this NOFA are adopted as if they have the "dignity of statutes." (*Ramirez v. Yosemite Water Company, Inc.* (1999) 20. Cal. 4th 785, 799.)

Appendix A provides reference to key statutes that support HHAP implementation and guidance.

B. Purpose And Program Objectives

The intent of HHAP 6 is to reflect the state's priorities to prevent and expeditiously reduce unsheltered homelessness through homelessness prevention activities and sustain existing Interim Housing Solutions and Permanent Housing Solutions, including long-term sustainability of permanent affordable housing (HSC section 50243(a)). To accomplish these goals, HHAP 6 requires applicants to create and implement Regionally Coordinated Homelessness Action Plans (HSC section 50240).

HCD also expects applicants to:

- Foster robust regional collaboration and strategic partnerships aimed at fortifying the homeless services and housing delivery system. This should be achieved through the formulation of data-driven and cross-system plans designed to

allocate resources in alignment with the state's priorities for housing solutions for people experiencing homelessness. This means implementing strategies that create and sustain regional partnerships and emphasize Permanent Housing Solutions.

- Ensure all cities and counties in the region are addressing existing unsheltered homelessness, including encampments, and preventing future homelessness by planning for future housing needs and following all state housing laws and the California Interagency Council on Homelessness (Cal ICH) Guidance on Addressing Encampments. Jurisdictions must adopt compliant housing elements and implement their respective housing element programs, resolve and avoid state housing law violations, and implement practices to utilize surplus land for the production of affordable housing.

- Ensure the long-term sustainability of housing and supportive services by strategically pairing HHAP 6 funds with other local, state, and federal resources to effectively reduce and ultimately end homelessness.

- Demonstrate sufficient resources dedicated to Interim Housing and long-term Permanent Housing Solutions, including capital and operating costs.

- Demonstrate a commitment to address racial disproportionality in homeless populations and achieve equitable provision of services and outcomes for Black, Native and Indigenous, Latinx, Asian, Pacific Islanders and other People of Color who are disproportionately impacted by homelessness.

- Establish a mechanism for people with lived experience of homelessness to have meaningful and purposeful opportunities to inform and shape all levels of planning and implementation, including through opportunities to hire people with lived experience.

- Fund projects that provide housing and services that are Housing First compliant, per HSC section 50241(f), which references Welfare and Institutions Code 8255 and 8256, and delivered in a low barrier, trauma informed, and culturally responsive manner. Individuals and families assisted with these funds must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving interim or permanent housing, or other services for which these funds are used. Housing First should be adopted within the entire local homelessness response system, including outreach and interim housing, short-term interventions like Rapid Rehousing, and longer-term interventions like supportive housing.

- Prioritize the use of HHAP funds to assist people to remain in or move into safe, stable, Permanent Housing. HHAP funding should be housing-focused -- either funding Permanent Housing interventions directly or, if used for Interim Housing or street outreach, have clear pathways to connect people to Permanent Housing options.

C. Application Timeline

HCD will notify Eligible Applicants when this NOFA is posted and becomes available. Applications will be due no later than August 29, 2025.

HCD staff will be hosting a Zoom webinar to walk through this NOFA and the application requirements on March 18, 2025. HCD will use the regularly scheduled March Homelessness Grants Office Hours webinar for this NOFA and Application walk-through.

HHAP 6 Application and Award Process	
Action	**Timeframe**
NOFA and Final Allocations Available	February 2025
NOFA and Application Walk-through	March 18, 2025
Final Applications Due	August 29, 2025
HCD reviews and approves application or requests and reviews amendments	Rolling, Estimated August–December 2025

D. Available Funding

The Legislature appropriated $1 billion to fund various HHAP activities in Fiscal Year 2024-2025 (FY 24-25), less $50 million in program administration. This NOFA makes available $760 million in HHAP 6 funds to regions made up of eligible cities, counties, and Continuums of Care (CoCs).

The FY 24-25 HHAP appropriation also funds $28.5 million for Tribal HHAP 4, and $161.5 million for HHAP Homekey Supplemental funding, which is administered by HCD under the Non-Veterans Homekey+ and Tribal Homekey+ programs. The $161.5 million FY 24-25 HHAP Homekey Supplemental was paired with the $161.5 million FY 23-24 HHAP Homekey Supplemental, for a total of $323 million HHAP Homekey Supplemental funds, which were made available through the Non-Veterans Homekey+ NOFA ($290.7 million) and Tribal Homekey+ NOFA ($32.3 million) released on November 26, 2024.

Summary of Total HHAP FY 24-25 Funding

Category	Amount
Total FY 24-25 HHAP Funding	$1 billion
HHAP 6 Regional Allocations – Covered by this NOFA	**$760 million**
Tribal HHAP 4	$28.5 million
Non-Veterans Homekey+ (HHAP FY 24-25 Homekey Supplemental)	$145.35 million
Tribal Homekey+ (HHAP FY 24-25 Homekey Supplemental)	$16.15 million
Program Administration	$50 million

Summary of HHAP 6 Regional Allocation Percentages

Per HSC 50241, HHAP Round 6 funding will be made available as non-competitive allocations to Eligible Applicants, including CoCs, Large Cities, and Counties, as follows:

Category	Percentage of HHAP 6 Regional Allocations	Allocation Amount
Continuums of Care (CoCs)	30%	$228 million
Large Cities	42%	$319.2 million
Counties	28%	$212.8 million

Individual HHAP 6 allocations for each of the Eligible Applicants is based on their proportionate share of the state's homeless population as reported by the U.S. Department of Housing and Urban Development (HUD) in the 2024 Homeless Point in Time (PIT) count.

The HHAP 6 Methodology is described in Appendix C within this NOFA.

II. ELIGIBILITY REQUIREMENTS

A. Eligible Applicants

Eligible Applicants for HHAP 6 program funds are the same as in Round 5 of HHAP funding, which include:

- California's 44 CoCs identified by HUD.
- California's 14 cities with a population of 300,000 or more as of January 1, 2022.
- California's 58 counties.

Per HSC section 50240(a), Eligible Applicants **must** apply as part of a region and be a signatory to a Regionally Coordinated Homelessness Action Plan that has been approved by HCD.

B. Definition of "Region"

For purposes of HHAP Rounds 5 and 6, the term "region" refers to the geographic area served by a county, including all cities and the CoC or CoCs within it (HSC section 50230(v)). A region that has a CoC that serves multiple counties may submit a plan that covers multiple counties and the cities within them, **and multi-county regions that are served by the same CoC are strongly encouraged to apply as one region.** However, the CoC may participate in the Regionally Coordinated Homelessness Action Plan of each individual county that is part of the CoC along with the cities within each county.

All CoCs within the County of Los Angeles shall be considered part of a single region, along with the county and eligible cities within the county, and therefore must apply together.

Note: All Eligible Applicants participating in the Regionally Coordinated Homelessness Action Plan must meet all HHAP 6 application and eligibility requirements before their regional application can be approved and their HHAP 6 allocation(s) disbursed by HCD.

III. ELIGIBLE USES

In line with HSC 50243(e), below is a table summarizing the eligible uses of HHAP 6 funds by Eligible Use Categories, including descriptions and examples:

HHAP 6 Statute	Eligible Use Category	Explanation and examples of eligible uses under this eligible use category
Category #1: Permanent Housing Solutions that can prevent or serve those experiencing unsheltered homelessness, including, but not limited to, persons experiencing homelessness coming from encampment sites; per HSC 50243(e)(1)	Rapid Rehousing/ Rental Subsidies, per HSC 50243(e)(1)(A)-(C), and HSC 50243(e)(2)(A)	Examples include, but are not limited to: • Rental subsidies, including rental subsidies in rapid rehousing programs or longer-term rental subsidy programs. • CARE Act petitioning activities and support for placement and related services for individuals (respondents) in the CARE Act process. • Landlord incentives, such as security deposits, holding fees, funding for needed repairs, and landlord relationship management costs. • Move-in expenses.
	Operating Subsidies – Permanent Housing, per HSC 50243(e)(1)(D)	• Operating Subsidies in new and existing affordable or supportive housing units serving people experiencing or at risk of experiencing homelessness, and new or existing residential care facilities. • Operating Subsidies may include capitalized operating reserves (funds held in reserve to multiple years of operating support, or cover large, unexpected operating expenses).

	Permanent Housing Services and Services Coordination, per HSC 50243(e)(1)(E) and (G)	Supportive services for people in Permanent Housing, so long as the services are trauma-informed and practice harm reduction, to include, but not limited to: • Intensive case management services, • Assertive community treatment services, • Critical time intervention services, • Other tenancy support services, • Evidence-based employment services, • Coordinating mental health, substance use, and primary care treatment, or • Other evidence-based supportive services to increase housing retention. • Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in permanent supportive housing.
	Capital for Permanent Housing, per HSC 50243(e)(1)(F)	Capital for Permanent Housing that serves people experiencing homelessness, including conversion of underutilized buildings or existing interim or transitional housing into Permanent Housing.
HHAP 6 Statute	**Eligible Use Category**	**Explanation and examples of eligible uses under this eligible use category**
Category #2: Homelessness Prevention Activities that can prevent or serve those experiencing unsheltered homelessness, including, but not limited to, persons	Prevention and Diversion, per HSC 50243(e)(2)(A and B)	• In addition to the Rapid Rehousing and Rental Assistance being eligible as described above, other homelessness prevention programs are eligible, as long as they prioritize households with incomes at or below 30 percent of the area median income (AMI). • Problem solving and diversion support programs that prevent people at risk of or recently experiencing homelessness from

experiencing homelessness coming from encampment sites.		entering unsheltered or sheltered homelessness. .
HHAP 6 Statute	**Eligible Use Category**	**Explanation and examples of eligible uses under this eligible use category**
Category #3: Interim Housing Solutions that can prevent or serve those experiencing unsheltered homelessness, including, but not limited to, persons experiencing homelessness coming from encampment sites.	Navigation Centers, per HSC 50243(e)(3)(A)	Navigation Centers or other emergency shelters that are low barrier as defined in Sections 65660 and 65662 of the Government Code.
	Motel/Hotel Vouchers, per HSC 50243(e)(3)(D)	Vouchers for motels and hotels used as interim shelter for people experiencing homelessness, until they can be connected to Permanent Housing resources.
	Operating Expenses – Interim Housing, per HSC 50243(e)(3)(B) and (C)	• Operating expenses in existing congregate shelter sites. • Operating expenses in new or existing non-congregate shelters sites and transitional housing for youth. • Operating expenses may include capitalized operating reserves (funds held in reserve upfront to cover multiple years of operations, or large, unexpected operating expenses).
	Interim Housing Services and Services Coordination, per HSC 50243(e)(3)(E) and (H)	Services provided to people in Interim Housing, so long as the services are trauma-informed and practice harm reduction, to include, but are not limited to: • Intensive case management services, • Housing navigation, • Connecting people to substance use or mental health treatment, • Public benefits advocacy, • and other supportive services to promote stability and referral into Permanent Housing. • Youth-focused services in transitional housing

	Capital for New Interim Housing, per HSC 50243(e)(3)(F), (G), and (J)	Capital funding to build new noncongregate shelter sites and transitional housing sites for homeless youth, including for construction, rehabilitation, and capital improvements to convert existing congregate sites into noncongregate sites. Capital funding for clinically enhanced congregate or noncongregate shelter sites.
	Improvements to Existing Interim Housing, per HSC 50243(e)(3)(I)	Renovation of existing Interim Housing to improve the quality of life for people experiencing homelessness who are residing in the Interim Housing. Examples include, but are not limited to: • Maintenance of an Interim Housing facility. • Minor/major rehabilitation or renovation of an Interim Housing facility. • Minor/major conversion, additions, updates, and/or enhancements that lower barriers and/or increase privacy.
HHAP 6 Statute	**Eligible Use Category**	**Explanation and examples of eligible uses under this eligible use category**
Category #4: Non-housing Solutions that can prevent or serve those experiencing unsheltered homelessness, including, but not limited to, persons experiencing homelessness coming from encampment sites.	Services and Services Coordination for People Experiencing Unsheltered Homelessness, per HSC 50243(e)(4)	Non-housing services for people experiencing unsheltered homelessness, so long as the services are trauma-informed and practice harm reduction, to include, but are not limited to: • Street outreach • Evidence-based engagement services • Intensive case management services • Assertive community treatment • Housing navigation • Harm reduction services • Coordination with street-based health care services • Hygiene services for people living in encampments and unsheltered

		individuals • Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability • Costs that support people with lived experience of homelessness to participate in and/or provide input for regional and system planning (e.g., lived experience advisory boards, youth advisory boards, etc.)
Administrative Costs	Administrative Costs (up to 7 percent of allocation amount)	Eligible uses should be categorized here when costs are incurred by the city, county, or CoC to administer its HHAP program allocation. Examples include, but are not limited to: • Regional coordination • HHAP 6 regional planning and application process • Homeless Management Information System (HMIS) training, licenses, and/or operating costs • Reporting • Grant administration Administrative Costs do not include staff or other costs directly related to implementing activities funded by the program allocation.
	HMIS (Up to 1 percent of allocation amount)	Eligible uses should be categorized here when the Eligible Applicant elects to allocate up to 1 percent of their HHAP 6 allocation to cover expenses associated with the administration of HMIS. This funding shall be transferred directly to the HMIS lead entity and is intended to support the functioning, maintenance, and operation of the local HMIS. Examples include, but are not limited to: • System licenses • Training • System operating costs

		• Costs associated with carrying out related activities HMIS costs may also be supported through Administrative Costs (Grantees may use up to 7% of allocations toward Administrative Costs) and under program costs (in categories 1-4) when the activities directly support implementing the housing and non-housing activities funded by the program allocation.

IV. APPLICATION SUBMISSION, REVIEW, AND AWARD PROCESS

A. Application Required Components

To be eligible for a HHAP 6 allocation award, Eligible Applicants for HHAP 6 funding must:

- Conduct stakeholder engagement to support development of the HHAP 6 Application
- Apply as part of a region, and as a region, submit a complete HHAP 6 application through the application portal provided by HCD. The application must adhere to the prescribed formats, include all essential components, and be found by HCD to be compliant with all requirements.
- The application will include the following sections:
    - Regional Identification and Contracting Information
    - Documentation of Stakeholder Engagement
    - Regionally Coordinated Homelessness Action Plan: This may be an updated version of a previously submitted and approved Regionally Coordinated Homelessness Action Plan.
        - Regional Partners' Roles and Responsibilities
        - System Performance Measures Improvement Plan
    - HHAP 6 Funding Plan
        - Sustainability of the Region's Housing Portfolio
        - Youth Set-Aside
    - Regional Memorandum of Understanding

The minimum HHAP 6 application requirements and guidance for each of the application components are described in more detail below.

1. Required Components – Regional Identification and Contracting Information

While Eligible Applicants within a region are required to apply together and to jointly complete a Regionally Coordinated Homelessness Action Plan, each applicant (large city, county, and/or CoC) shall have the discretion to request their allocation directly,

and act as their own Administrative Entity; or designate an Eligible Applicant in their region to administer the funds on their behalf, and act as their Administrative Entity.

This selection will indicate to HCD which Eligible Applicant will enter into contract with the state to receive and administer each Eligible Applicant's HHAP 6 allocation following award. The Administrative Entity is responsible for administering the funds, contracting (when necessary) with sub-recipients, reporting on HHAP 6 obligations and expenditures to HCD, reporting universal data elements for people and families served into local HMIS, and meeting the other terms and conditions of the contract. (See Section V. *"Funds Disbursement"* for more information on eligibility requirements for the initial and remainder disbursements and See Section VI. "*Monitoring, Documentation, and Reporting*" for more information on the responsibilities of Administrative Entities and subrecipients.)

Regional Identification information must be submitted following the prescribed format, which must include the name and contact information of each Eligible Applicant that is applying as part of the regional application. Additionally, comprehensive contracting details must be furnished for all entities that will administer HHAP 6 funding (i.e., Administrative Entities).

While HHAP 6 requires that regions submit one coordinated application, each Eligible Applicant within a region must choose one of the following options:

- Receive and administer their allocation **or**
- Designate one of the Eligible Applicants within their region to receive and administer their HHAP 6 allocation.

Administrative Entity designations will determine how many funding plans are required to be submitted as part of the HHAP 6 regional application. HCD requires **one funding plan per Administrative Entity**. Funding plan guidance is provided below under Section IV.A.4: "*HHAP 6 Funding Plan(s)".*

Please note, that while small cities and tribal governments should be included in the development of the Regionally Coordinated Homelessness Action Plan, only Eligible Applicants for HHAP (Large Cities, Counties, and CoCs) are eligible to receive a direct allocation from HCD.

2. Required Components – Documentation of Stakeholder Engagement

HHAP 6 requires participating applicants within a region to collaborate and engage in a public stakeholder process while developing the HHAP 6 application, including the Regionally Coordinated Homelessness Action Plan. This is intended to ensure that all key stakeholders have the opportunity to contribute their valuable insights and experiences and inform the proposed actions and funding before the application is submitted. **The stakeholder engagement should also be used to help inform the**

application's requirements related to documenting the Sustainability of the Region's Housing Portfolio.

The public stakeholder process must include at least three public meetings, allowing for extensive input from various groups and individuals. During the public stakeholder process, participating applicants **must** invite and encourage all of the following groups to engage in the public stakeholder process:

- People with lived experience of homelessness, including but not limited to survivors of domestic violence.
- Youth with lived experience of homelessness.
- Local department leaders and staff of qualifying smaller jurisdictions, including child welfare, public welfare, health care, behavioral health, justice, and education system leaders.
- Homeless services and housing providers, **including developers of permanent affordable housing operating within the region.**
- Each Medi-Cal Managed Care Plan contracted with the State Department of Health Care Services in the region.
- Street medicine providers, victim service providers, and other service providers directly assisting people within the region experiencing homelessness or at risk of homelessness.
- **Federally recognized tribal governments pursuant to Section 4103 of Title 25 of the United States Code that are within the region.**

Applicants will be required to:
1) certify they engaged in the above-described process as part of developing their application
2) provide the dates of the public meetings
3) describe how specific groups were invited and encouraged to engage in the public stakeholder process, such as copies of meeting invites and invitee list, and
4) describe the input from public meetings that was incorporated into the application.

3. Required Components – Regionally Coordinated Homelessness Action Plan

Applicants must submit a Regionally Coordinated Homelessness Action Plan that fully complies with HSC section 50240(c). This plan shall lay out a strategic approach to address homelessness within the region, emphasizing collaborative efforts among participating applicants. The plan must include the following key elements and follow the specified process.

In developing their HHAP 6 Regionally Coordinated Homelessness Action Plans, regions should build upon their approved HHAP 5 Regionally Coordinated Homelessness Action Plans. This means regions should leverage and update information from their approved HHAP 5 Regionally Coordinated Homelessness Action Plan in corresponding sections of the HHAP 6 application.

a. Sub-Component: Regional Partner's Roles and Responsibilities:

Applicants must identify and describe the specific roles and responsibilities of each participating applicant within the region as they pertain to:

- Outreach and site coordination: Describe how all participating Eligible Applicants are or will begin to coordinate efforts to ensure comprehensive outreach to individuals experiencing and at risk of experiencing homelessness in the region and coordinate on siting of services, shelters, and interim and permanent housing.

- Siting and use of available land: Describe how all participating Eligible Applicants will coordinate efforts to identify and promote use of available land for the production of interim or permanent housing.

- The development of interim and permanent housing options: Describe how all participating Eligible Applicants are engaging housing developers, including non-profit developers of permanent supportive housing, working in the region to coordinate the financing of interim and permanent housing.

- Coordination and connection to service delivery: Coordinating, connecting, and delivering services to individuals experiencing homelessness or at risk of experiencing homelessness within the region, including specifying roles and coordination plans in relation to the Mental Health Services Act or Behavioral Health Services Act, within the region.

- Policies for Addressing Encampments: Identify the number of encampments identified within the region, with specific plans to address these encampments. Indicate whether each Eligible Applicant in the region has a current and formal policy to address encampments and if so, confirm it complies with the California Interagency Council on Homelessness (Cal ICH) Guidance on Addressing Encampments. Provide a link to the policy. If no formal policy exists, describe existing efforts and provide an active commitment to follow the California Interagency Council on Homelessness (Cal ICH) Guidance on Addressing Encampments. HCD may coordinate with Cal ICH in review and approval of policies for addressing encampments to confirm compliance with their guidance. If an encampment policy is not compliant, it must be updated.

- OPTIONAL: The roles and responsibilities of smaller jurisdictions and tribal governments that have elected to collaborate on the plan may also be included, but are not required.

Large City and county Regional Partners must specifically provide a status update on the following critical Roles and Responsibilities for Large City and county Regional Partners.

- Housing element compliance: Indicate that each city and county Eligible Applicant has an adopted housing element that HCD has found substantially

compliant with Housing Element Law, or if not compliant, provide a timeline for all relevant milestones to achieve compliance. Milestones include but are not limited to submitting revised drafts that address all outstanding findings for HCD's review, submitting required rezones for HCD's review, adopting the housing element, and final review and approval by HCD. Eligible applicants within the region must have an adopted housing element that HCD has found substantially compliant before receiving their remainder HHAP 6 disbursement.

- Housing element implementation: Indicate that each city and county Eligible Applicant has implemented all programs in their adopted housing element on the timelines identified in the housing element, or if they have not, provide a timeline and plan to implement the past due programs.

- Prohousing Designation: Indicate if each Eligible Applicant in the region has received the Prohousing Designation, if they have applied, or if they have plans to apply in the future. For jurisdictions that have not yet applied, they may identify Prohousing Policies (as described in the Prohousing application) that they have adopted or plan to adopt in the future.

- Housing law violations: Indicate that each city and county Eligible Applicant does not have any potential or actual violations under investigation by HCD's Housing Accountability Unit or the Attorney General's Housing Justice Team, or if there is a potential or actual violation under investigation, provide a timeline and plan to resolve the issue.

- Surplus land: Indicate that each city and county Eligible Applicant has made a central inventory of all surplus land and all lands in excess of their foreseeable needs as required by Government Code section 54230, or if they have not, provide a timeline and plan to create such an inventory.

- Annual Progress Report: Indicate that each Large City and county Eligible Applicant has submitted a timely and complete annual progress report for, at a minimum, the previous two years.

b. Sub-Component: System Performance Measures Improvement Plan

i. California System Performance Measures

The California System Performance Measures (CA SPMs) are a standardized set of metrics to help regions assess progress towards preventing, reducing, and ending homelessness. The current CA SPMs includes all of the following, as well as age, gender, racial and ethnic disparities data for each CA SPM:

- Number of people accessing services who are experiencing homelessness.

- Number of people experiencing unsheltered homelessness on a single night (unsheltered PIT count).

- Number of people experiencing homelessness who are accessing services for the first time in the past two years.
    - While rates of homelessness for those exiting institutional settings is not yet an officially tracked CA SPM, applicants must include at least one Key Action with a specific focus on reducing first time instances of homelessness for those exiting institutional settings, including, but not limited to, jails, prisons, and hospitals.

- Number of people exiting homelessness into Permanent Housing.

- Average length of time that people experienced homelessness while accessing services.

- Percentage of people who return to homelessness within six months of exiting the homelessness response system to Permanent Housing.

- Number of people with successful placements from street outreach projects.

ii. System Performance Measures Improvement Plan: Key Actions to Improve System Performance

The System Performance Measures Improvement Plan is a critical component of the Regionally Coordinated Homelessness Action Plan. This section documents all the key actions the regional partners are taking to improve their homelessness CA SPMs.

The plan may also include the key actions of small jurisdictions and/or tribal governments in the region that elect to engage and collaborate in the Regionally Coordinated Homelessness Action Plan.

All HHAP 6-funded activities must be listed as key actions to demonstrate that the funds will contribute to improving the region's CA SPMs.

Each regional partner must also include the key actions they are taking beyond HHAP 6 funding to address homelessness. These key actions must include how each regional partner is improving the region's CA SPMs through use of local, state, and federal funds, including, but not limited to all of the following:

- The Homekey program, as described in Section 50675.1.1.

- The No Place Like Home Program (Part 3.9 (commencing with Section 5849.1) of Division 5 of the Welfare and Institutions Code).

- The Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2).

- The Housing for a Healthy California Program (Part 14.2 (commencing with Section 53590)).

- The Homeless Housing, Assistance and Prevention Program (Chapter 6 (commencing with Section 50216)). All items currently being funded through rounds 1 through 4, inclusive, pursuant to the Homeless Housing, Assistance and Prevention Program (Chapter 6 (commencing with Section 50216)) and round 5 pursuant to the Round 5 of the Homeless Housing, Assistance and Prevention Program (Article 1 (commencing with Section 50232)), and those items proposed to be funded by round 6 pursuant to this article must be included as key actions. If an item proposed to be funded under the rounds will not lead to improvement of the system performance measures described in paragraph (2), it is not an eligible use of funding pursuant to those rounds.

- Funding distributed to local jurisdictions pursuant to subparagraph (B) of paragraph (2) of subdivision (b) of Section 50470.

- The California Emergency Solutions Grants Program (Chapter 19 (commencing with Section 50899.1) of Part 2).

- The National Housing Trust Fund established pursuant to the Housing and Economic Recovery Act of 2008 (Public Law 110-289) and implementing federal regulations.

- HOME Investment Partnerships Act (Chapter 16 (commencing with Section 50896)).

- Parolee or probation programs that are intended to prevent homelessness upon release.

- CalWORKs (Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code).

- CalFresh (Chapter 10 (commencing with Section 18900) of Part 6 of Division 9 of the Welfare and Institutions Code).

- Supplemental Security Income/State Supplemental Program (SSI/SSP) (Subchapter 16 (commencing with Section 1381) of Chapter 7 of Title 42 of the United States Code and Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code) and the Cash Assistance Program for Immigrants (CAPI) pursuant to Chapter 10.3 (commencing with Section 18937) of Chapter 10.3 of Part 6 of Division 9 of the Welfare and Institutions Code.

- In-home supportive services.

- Adult protective services.

- Child welfare.

- Childcare and development.
- Disability benefits advocacy.
- Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code).
- Mental Health Services Act and Behavioral Health Services Act.

iii. Required Detail on Key Actions

For **each** key action, applicants must include the following items, and HCD may follow up for more detail as needed to determine compliance with the NOFA and statute:

- Describe the key action in clear, specific terms.
- Identify the CA SPM(s) that the key action will improve, and how the Key Action will improve the CA SPM(s). Each applicant must identify at least one Key Action related to reducing CA SPM: "The Number of people experiencing unsheltered homelessness" and at least one Key Action related to increasing CA SPM "the Number of people exiting homelessness into Permanent Housing."
- Identify the lead entity and collaborating entities partnering to achieve the key action.
- Provide the target date for milestones and completion of the key action.
- Provide a clear metric for how success of the key action will be measured.
- Identify the funding source(s) for the key action and describe how the funding source(s) will contribute to the achievement of the key action. For HHAP 6 funded key actions, include the eligible use category or categories as applicable.
- A description of how the key action will address system performance disparities and ensure racial and gender equity in:
    - Service Delivery
    - Housing Placements
    - Housing Retention
    - Changes to procurement, or
    - Other means of affirming racial and ethnic groups that are overrepresented among residents experiencing homelessness have equitable access to housing and services.

4. Required Components - HHAP 6 Funding Plan(s)

Pursuant to HSC section 50243, HHAP 6 is intended to reflect the state's priorities to prevent and expeditiously reduce unsheltered homelessness through homelessness prevention activities and sustain existing Interim Housing Solutions, and Permanent Housing Solutions, including long-term sustainability of interim housing and permanent affordable housing.

a. HHAP 6 Proposed Funding Activities:

- Each Administrative Entity must submit one funding plan that budgets the total HHAP 6 allocation(s) they will be administering in adherence with the requirements and eligible uses as specified in HSC section 50243(e) and as elaborated on in Section III. *"Eligible Uses".*

- The total HHAP 6 Allocation(s) being administered by the Administrative Entity.

- Description of:

    - Specific activity proposed to be funded

    - Eligible use category

    - Total HHAP 6 funding proposed for the activity

    - If applicable, the total HHAP 6 funding proposed for the activity that meets the requirements of the Youth Set-Aside

Note: Every proposed HHAP 6 funding activity must also be included under the System Performance Measures and Improvement Plan as a key action.

b. Funding Priority Considerations – Document Sustainability of the Region's Interim Housing Portfolio

Pursuant to HSC section 50243(c), all Eligible Applicants must demonstrate they have dedicated sufficient resources to sustain their region's existing and proposed portfolio of interim housing.

To document this within the application, the region will be required to submit:

1) The total existing interim housing shelters and beds (beds) in the region.

2) The total beds proposed to be added during the grant term (FY 24/25-28/29) in the region, if applicable.

3) The total estimated capital and operating costs for the beds (existing and proposed) during the grant term.

4) The funding sources (including amounts) that will realize and sustain the estimated capital and operating costs for the beds in the region for the period of the grant term (FY 24/25-28/29).

If a gap remains, the applicant must identify other sources to address the gap. This may include, but is not limited to, use of HHAP funding, local dedicated funding, Behavioral Health Services Act funds, long-term capitalized operating reserves, or any other local, state, or federal funding source from the list within the Systems Performance Measures Improvement Plan section of this NOFA.

The stakeholder engagement required in advance of application development should also be used to help inform the application's requirements related to documenting the sustainability of the region's interim housing portfolio.

c. Funding Priority Considerations – Document Sustainability of the Region's Permanent Housing Portfolio (as applicable)

Pursuant to HSC section 50243(d), before an applicant proposes to use HHAP 6 funding for either: New Interim Housing, defined as eligible uses HSC 50243 (e)(3)(A),(F),(G), and (J), other than New Interim Housing that meets the Youth Set Aside requirement described below, or any Non-Housing Solutions (defined as eligible uses HSC 50243(e)(4)), the applicant must demonstrate there is not a financial gap in sustaining the existing and proposed portfolio of permanent affordable housing within their region.

To document this within the application, the region will be required to submit:

1) The total permanent affordable housing developments and units (developments) in the region. This data can be provided by HCD upon request.

2) The total developments at risk of expiring affordability restrictions during the grant term (FY 24/25-28/29) in the region. This data can be provided by HCD upon request.

3) The total developments proposed, such as those currently seeking permanent housing funding or operations support in the region, which still have a financing or supportive services and operations funding gap.

4) For 2 and 3, identify and describe the funding sources (including amounts) that will realize the estimated capital and operating costs to address the funding gaps or preserve the at-risk developments in the region. This may include, but is not limited to, use of local dedicated funding, local housing trust fund, Behavioral Health Services Act funds, long-term capitalized operating reserves, or any other local, state, or federal funding source from the System Performance Measures Improvement Plan section of this NOFA.

5) If an applicant demonstrates they can sustain their existing and proposed interim and permanent housing portfolios within the region, then they may be permitted to use HHAP 6 funds on New Interim Housing (beyond New Interim Housing for youth populations) and/or Non-Housing Solutions; however, applicants will still be required to budget and spend at least 50 percent of their HHAP 6 allocation on housing solutions, defined as HSC 50243(e)(1),(2),and (3)(A-I).

If a gap remains, the applicant must identify other sources to address the gap. This may include, but is not limited to, use of HHAP funding, local dedicated funding, Behavioral Health Services Act funds, long-term capitalized operating reserves, or any other local, state, or federal funding source from the list within the Systems Performance Measures Improvement Plan section of this NOFA.

The stakeholder engagement required in advance of application development should also be used to help inform the application's requirements related to documenting the sustainability of the region's permanent housing portfolio.

d. Funding Priority Considerations – Document Youth Set Aside Requirement has been met

At least 10 percent of each HHAP 6 allocation must be spent on services for homeless youth (HSC 50241(e)), and there are no prohibitions on spending a greater percentage on the Youth Set Aside.

Homeless youth is defined as unaccompanied youth between ages 12- and 24-years old experiencing homelessness, including pregnant and parenting youth, per HSC 50216(l). Dollars spent toward the Youth Set Aside have the same eligible uses as the broader program. Proposed funding activities should be categorized as part of the Youth Set Aside when costs support services and housing interventions for homeless youth populations.

Additionally, the Sustainability of the Region's Permanent Housing Portfolio justification is not required for New Interim Housing Solutions for homeless youth.

5. Required Components – Regional Memorandum of Understanding

Per HSC section 50240(f), the Regionally Coordinated Homelessness Action Plan must be reflected in a Memorandum of Understanding (MOU). The MOU shall commit all signatories to participate in and comply with the Regionally Coordinated Homelessness Action Plan. The MOU shall also certify that all Eligible Applicants and subgrantees will employ the core components of Housing First (see Section VI.D.2 *"Housing First Requirement"*).

OPTIONAL: Smaller jurisdictions and/or tribal governments within the region may choose to sign the MOU and commit to participating in and adhering to the Regionally Coordinated Homelessness Action Plan. To support this, counties are encouraged to allocate resources from program funding to smaller jurisdictions that actively engage in and comply with the plan.

B. Developing and Submitting a Complete HHAP 6 Application

1. Leverage HHAP 5 Application Components

In developing their HHAP 6 Applications, regions should build upon their approved HHAP 5 Applications. This means regions should leverage and update information from their approved HHAP 5 Application in corresponding required components of the HHAP 6 application.

2. Applicants must post Proposed, Amended, and Approved Regionally Coordinated Homelessness Action Plans

Per HSC 50240(i), participating applicants involved in the Regionally Coordinated Homelessness Action Plan are required to publish the proposed, amended, and approved versions of their Regionally Coordinated Homelessness Action Plans on their respective internet websites. HCD will also post the proposed, amended, and approved version of the Regionally Coordinated Homelessness Action Plans on its website.

3. Submitting a Complete HHAP 6 Application

The HHAP 6 application will be available and must be completed online. All required application components must be submitted through the online application portal by August 29, 2025. Upon submission of the online application, the applicant will receive a confirmation email that includes a copy of the application and details about the next steps in the application process.

HHAP 6 applications will be reviewed upon receipt of the online application submission, including all required components and documentation.

Within 30 days of the application submittal, the Department shall either approve the application or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:

- Greater detail on any aspect of the application so the Department can ensure compliance with requirements, fidelity with the applicant's proposed use of funds, and impact on system performance measures.
- Modifications or provision of additional information on the applicant's proposed funding plan to ensure compliance with this section and ensure alignment with evidence-based solutions to reduce homelessness.
- Any other modifications or provision of information that would allow the Department to better monitor and evaluate the region's compliance with its Regionally Coordinated Homelessness Action Plan and whether it is meeting objective performance standards.

An applicant whose application has been returned pursuant to the above shall respond to the Department's requested amendments and submit a revised application within 30 days. Where the revised application differs from the Department's requests, the applicant shall include an explanation of the differences and the rationale for departing from requested amendments.

The Department shall have another 30 days to approve the application if, as amended, it addressed the Department's concerns or to provide the applicant with additional guidance and a deadline for further amending to fully address the Department's concerns.

Per HSC section 50240(j), the Department may consult with any local government, public agency, group, or person, regarding the action by a participating jurisdiction in determining whether any Regionally Coordinated Homelessness Action Plan substantially complies with the HHAP 6 statute and the guidelines in this NOFA.

HCD shall approve or deny an application, and the determination of the amount of funding to be provided shall be final (HSC section 50239(e)).

Upon approval of each regional application, HCD will issue award letters and will send contract packages to each Administrative Entity. Administrative Entities will have 30 days to complete and return the contract packages. Once contracts are executed, Grantees will receive their initial disbursement in one check. See below for more information on the disbursement of HHAP 6 funds.

V. FUNDS DISBURSEMENT

A. Initial Disbursement

To receive the initial disbursement of HHAP 6, the region and its regional partners must have received a HHAP 6 award, **and** the Administrative Entities must demonstrate they have met the obligation and expenditure requirements for HHAP rounds 1 through 4 as outlined in HSC section 50242(f) in order to be eligible to receive their HHAP 6 initial disbursement.

These obligation and expenditure requirements are:

- The Administrative Entity must have contractually obligated 100 percent of HHAP rounds 1 through 3.
- The Administrative Entity must have expended 100 percent of HHAP Round 1 or returned any funds remaining after the 6/30/2025 expenditure deadline.
- The Administrative Entity must have expended at least 50 percent of their funding and contractually obligated at least 75 percent of their funding from the first disbursement of HHAP Round 4.
- In addition, in order to facilitate HCD's evaluation of whether these requirements have been met, and its evaluation of progress on California System Performance

Measures (CA SPMs), the Administrative Entity must be in good standing on reporting for HHAP rounds 1 through 5, including fiscal reporting and reporting into HMIS.

Once applicants have met these requirements and contracts are executed, HCD will take the necessary steps to disburse the initial HHAP 6 disbursements to each Administrative Entity, which includes 50 percent of the eligible Large City, county, or CoC's HHAP 6 award.

B. Remainder Disbursement

In order to be eligible to receive the remaining 50 percent of the HHAP 6 award, Eligible Applicants must:

- Housing Element Compliance: Demonstrate that it has a compliant housing element as defined in HSC section 65589.9 of the Government Code (Applies to Large City and county Grantees only). Each Large City and county Grantee within each region must have a compliant housing element as defined in HSC section 65589.9 of the Government Code before they may receive their HHAP 6 remainder disbursement. The housing element requirement does not apply to CoCs. If a Large City or county Grantee does not have a compliant housing element, the Department shall hold the disbursement until the recipient's housing element is found compliant.

- Demonstrate Sufficient Spenddown: Grantees must obligate at least 75 percent of the initial HHAP 6 disbursement and expend at least 50 percent of the initial HHAP 6 disbursement no later than June 30, 2027.

- Update on the Regionally Coordinated Homelessness Action Plan:
  Submit, and have approved by HCD, an update to their Regionally Coordinated Homelessness Action Plan. Each region must submit an update to their Regionally Coordinated Homelessness Action Plan activities to HCD no later than January 31, 2027 (HSC section 50242(h)). This update shall include obligation and expenditure progress, status of key actions in the System Performance Measures Improvement Plan as measured by the respective success metrics, and status updates on CA SPMs.

  The Department shall, within 30 days, review the update to the Regionally Coordinated Homelessness Action Plan and report its findings to the region. If the Department finds that a Grantee failed to adhere to the requirements, the Department may require the participating jurisdictions in the region to make specific changes needed to meet the requirements. If the Department finds that the Grantee has adhered to the requirements or concludes that the Grantee has addressed any shortcomings in the update, the Department shall approve the update.

Corrective Action Plans:

If the Department concludes that the Grantees in the region made insufficient progress on key actions or failed **to adequately improve on at least one-half of the region's CA SPMs, based on most recent CA SPM data available**, the Department may require the participating jurisdictions to provide a corrective action plan to the update to the Regionally Coordinated Homelessness Action Plan and/or funding plans to address these findings. Participating jurisdictions shall accomplish these changes or submit a corrective action plan, as applicable, within 30 days of being notified by the Department.

The Department has 30 days to review the changes or corrective action plan, as applicable, to determine if they addressed the Department's concerns and approve the update, or to provide the Grantee with additional guidance and a deadline for making changes or further amending the corrective action plan to address the Department's concerns.

The Department may withhold the remaining 50 percent of funds from a Grantee until the Department has found the update to the HHAP 6 Regionally Coordinated Homelessness Action Plan or the corrective action plan satisfactory. The Department shall provide technical assistance and support regions' efforts to comply with the requirements.

Regions are also encouraged to update their memorandums of understanding to reflect the update to their Regionally Coordinated Homelessness Action Plan approved pursuant to this subdivision. The Department may ask for confirmation that a region has updated its memorandum of understanding to reflect a part of a corrective action required under this section.

VI. MONITORING, DOCUMENTATION, AND REPORTING

Administrative Entities must be able to demonstrate that HHAP 6 funds were expended for eligible uses. HCD will include additional information on monitoring and reporting requirements in the Standard Agreement executed prior to distribution of HHAP 6 funds to each CoC, large city, and county. In addition to HCD monitoring and reporting requirements, it is expected that CoCs, Large Cities, and counties will provide direct oversight of subrecipients of HHAP 6 funds and ensure that subrecipients comply with HHAP 6 program requirements. HCD may request the repayment of funds or pursue any other remedies available, at law or in equity, for failure to comply with reporting requirements.

A. Reporting

Grantees are required to submit monthly fiscal reports, must submit annual reports, and a final report after the end of the grant period. HCD will reach out to Grantees with guidance on how to submit monthly and annual reports.

In addition to the monthly and annual reports, described below, the Grantee shall submit to HCD all other reports, updates, and information that HCD deems necessary to monitor compliance and/or perform program evaluation. Any requested data or information shall be submitted in a form and manner provided by HCD.

1. Monthly Reports

HHAP recipients must submit a monthly fiscal report to include obligations and expenditures in each eligible use category. Expenditures and obligations should align with those approved in the application.

2. Annual Reports and Final Reports

Per Health and Safety Code sections 50221 and 50222, all recipients of HHAP funds are required to submit an annual report every April 1 on activity through the prior calendar year and must include the following data components:

- Detailed description of activities with obligated and expended funds by eligible use category
- Progress and status updates on HHAP Regional Homeless Action Plan commitments
- Other highlights and accomplishments and notable quantifiable outcomes

The HHAP 6 Final Report shall be required in lieu of the last annual report for each round and shall follow the requirements of Health and Safety Code sections 50221, 50222, and 50223.

3. Person-Served Reporting

HCD will make efforts to use the statewide Homeless Data Integration System (HDIS) data, specifically the data entered by Grantees under their AB 977 requirements described below, and provided by CoCs via quarterly uploads from HMIS, to fulfill the following annual and final report requirements. However improper reporting into that system may require HCD to seek additional final report information directly from Grantees:

- The total number of individuals, as well as homeless individuals, served in each year of the program and total for the program overall.
- Aggregate outcome data for individuals served using program funds, including all of the following:
    - The type of housing that the individuals exited to, including whether the housing is permanent or interim.
    - The percentage of successful housing exits.
    - Exit types for unsuccessful housing exits.
- The types of housing assistance provided, including, but not limited to, permanent or interim housing, broken out by the number of individuals served.
- Progress towards the CA SPMs, including demographic equity analysis.

B. Budget Modifications

Grantees may revise their approved budgets on file with HCD through a budget modification when there is any change in proposed activities. Grantees must receive HCD approval for all budget modifications. Grantees may request a budget modification at any time using the HHAP Budget Modification Form.

C. Fiscal Deadlines

1. June 2027 Obligation and Expenditure Requirement

All Grantees must submit confirmation that no less than 75 percent of their initial Round 6 program allocations have been contractually obligated and that no less than 50 percent of initial Round 6 program allocations have been expended by June 30, 2027. This is also one of the requirements for Grantees to receive the remaining 50 percent of their total HHAP 6 allocation.

2. Failure to meet the second disbursement requirements by December 2028 will result in the second disbursement being reallocated to other Grantees

Pursuant to HSC 50242(i)(3), if a Grantee does not meet the expenditure requirements detailed in VI.C.1 above, along with the other requirements necessary to receive their second disbursement of HHAP 6 funds, on or before December 31, 2028, Grantees will forfeit their second disbursement and must return any unspent funds from their initial disbursement, to be re-allocated as supplemental awards by the Department.

3. Final Expenditure Requirement: Grantees must fully expend all HHAP 6 funds by June 30, 2029

All Grantees must submit confirmation that 100 percent of Round 6 program funds have been expended by June 30, 2029. Any remaining amounts not expended by that date will be returned to the state's General Fund.

4. Records Retention Requirement

The Grantee must retain all documentation pertaining to performance of the grant for a minimum period of five years after the final expenditure deadline. If any litigation, claim, negotiation, audit, monitoring, inspection, or other action has been commenced before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues which arise from it.

HCD or its designee has the right to review, obtain, and copy all records and supporting documentation pertaining to performance under the Standard Agreement. The Grantee agrees to provide HCD, or its designee, with any relevant information requested to give HCD or its designee access to its premises, upon reasonable notice and during normal business hours, for the purpose of interviewing employees who might reasonably have information related to such records, and of inspecting and copying such books, records, accounts, and other materials that may be relevant to an investigation of compliance with HHAP Program laws, guidance, and the Standard Agreement.

If upon inspection of records HCD identifies noncompliance with grant requirements, HCD retains the right to impose a corrective action plan on the Grantee.

D. Other Requirements

1. Reporting into Homeless Management Information System (HMIS)

Pursuant to Assembly Bill (AB) 977 (Statutes of 2021), Grantees who have been awarded HHAP funding must enter Universal and Common Data Elements as defined by HUD on the individuals and families served into the local HMIS. All Grantees agree to set up HMIS projects in alignment with the instructions provided by HCD and to participate and enter data on individuals and families served by this funding into the local HMIS. HSC section 50220.6 details specifications related to the data elements that must be reported. Technical assistance is available from the California Interagency Council on Homelessness (Cal ICH), in coordination with HCD, to Grantees that need support in meeting these requirements. Grantees are required to ensure any subrecipients of their HHAP funding adhere to these HMIS reporting requirements.

HCD will make efforts to utilize statewide HMIS data, aggregated into the Homeless Data Integration System (HDIS) maintained by Cal ICH to fulfill Grantee reporting requirements, however improper reporting into that system may require HCD to seek additional information directly from Grantees. Grantees may also be required to accept training and technical assistance in this area if their HMIS/HDIS is not properly tracked and shared.

2. Housing First Requirement

All recipients of HHAP 6 must comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.

Housing First is an evidence-based, client-centered approach that recognizes housing as necessary to make other voluntary life changes, such as seeking treatment or medical care. The goal of Housing First is to provide housing to individuals and families quickly with as few obstacles as possible, along with voluntary support services according to their needs.

Required core components of Housing First include:

1. Tenant screening and selection practices that promote accepting applicants regardless of their sobriety or use of substances, completion of treatment, or participation in services.
2. Applicants are not rejected on the basis of poor credit or financial history, poor or lack of rental history, criminal convictions unrelated to tenancy, or behaviors that indicate a lack of “housing readiness.”
3. Acceptance of referrals directly from shelters, street outreach, drop-in centers, and other parts of crisis response systems frequented by vulnerable people experiencing homelessness.
4. Supportive services that emphasize engagement and problem solving over therapeutic goals and service plans that are highly tenant-driven without predetermined goals.
5. Participation in services or program compliance is not a condition of permanent housing tenancy.
6. Tenants have a lease and all the rights and responsibilities of tenancy, as

outlined in California's Civil, Health and Safety, and Government codes.

7. The use of alcohol or drugs in and of itself, without other lease violations, is not a reason for eviction.
8. In communities with coordinated assessment and entry systems, incentives for funding promote tenant selection plans for supportive housing that prioritize eligible tenants based on criteria other than "first-come-first-serve," including, but not limited to, the duration or chronicity of homelessness, vulnerability to early mortality, or high utilization of crisis services. Prioritization may include triage tools, developed through local data, to identify high-cost, high-need homeless residents.
9. Case managers and service coordinators who are trained in and actively employ evidence-based practices for client engagement, including, but not limited to, motivational interviewing and client-centered counseling.
10. Services are informed by a harm-reduction philosophy that recognizes drug and alcohol use and addiction as a part of tenants' lives, where tenants are engaged in nonjudgmental communication regarding drug and alcohol use, and where tenants are offered education regarding how to avoid risky behaviors and engage in safer practices, as well as connected to evidence-based treatment if the tenant so chooses.
11. The project and specific apartment may include special physical features that accommodate disabilities, reduce harm, and promote health and community and independence among tenants.

E. Legal Documents

Upon the award of HHAP funds, HCD shall enter into Standard Agreements with Grantees that govern how HHAP funds must be spent. These agreements shall ensure adherence to the objectives and requirements of the HHAP 6 program, and compliance with all relevant laws. No award shall be disbursed until the Standard Agreement is signed by both the Grantee and HCD and is fully executed.

VII. RESOURCES AND CONTACT INFORMATION

Additional information including the HHAP Program Guidance can be found on HCD's HHAP website: https://www.hcd.ca.gov/grants-and-funding/programs-active/homeless-housing-assistance-and-prevention-grant-program.

If you have questions, please direct them to the HCD homelessness grants inbox at hpdhomelessnessgrants@hcd.ca.gov.

VIII. APPENDICES

Appendix A: HHAP Statute

Health and Safety Code – HSC

Round 6 of the Homeless Housing, Assistance, and Prevention program 50239.

(a) Round 6 of the Homeless Housing, Assistance, and Prevention program is hereby established.

(b) Upon appropriation by the Legislature, the department shall make available the following amounts in accordance with this article:

(1) One billion dollars ($1,000,000,000) in the 2024–25 fiscal year for implementation of the program.

(2) Further amounts as the Legislature may appropriate to the program in the future.

(c) (1) The department shall administer all aspects of the program in accordance with this article.

(2) No more than 5 percent of the total allocation for each round of funding shall be used to cover the department's costs of administration of this article, including state operations expenditures and activities in support of statewide capacity building for recipients, including providing ongoing training and technical assistance, measuring data and performance, conducting research, and evaluation of funding service delivery demonstration projects.

(A) The department may utilize any unused funds from moneys set aside for program administration to augment existing allocation categories using existing allocation methodologies.

(B) Any unused funds from moneys set aside for program administration remaining by the expenditure deadline for the given appropriation shall be rolled over into the next round of appropriated funding, or will revert back to the General Fund.

(d) Contracts entered into or amended shall be exempt from all of the following:

(1) Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code.

(2) The personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(3) Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and the State Contracting Manual.

(4) Notwithstanding Section 11546 of the Government Code, from review or approval of any division of the Department of Technology, upon approval from the Department

of Finance.

(5) From the review or approval of any division of the Department of General Services.

(e) The department shall approve or deny an application, and the determination of the amount of funding to be provided shall be final.
(f) If the applicant identifies substantive errors or omissions in their required data submissions, the department may, at its sole discretion, allow jurisdictions to modify or resubmit their data and, if applicable, may allow applicants to modify their data accordingly.
(g) The department shall maintain and make available to the public on its internet website records of all of the following:

(1) The number of applications for program funding received by the department.

(2) The number of applications for program funding denied by the department.

(3) The name of each recipient of program funds.

(4) Each applicant receiving funds pursuant to this article who shall provide a list of all awards to subrecipients.

(5) Annual reports filed by recipients pursuant to Sections 50221, 50222, and 50223.

(h) In administering this article, the department shall not be subject to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).
(Added by Stats. 2024, Ch. 48, Sec. 13. (AB 166) Effective July 2, 2024.)

50240.
(a) To be eligible for a round 6 base program allocation, a jurisdiction that is not a tribe must apply as part of a region and must be signatory to a round 6 regionally coordinated homelessness action plan that has been approved by the department. An update to the round 5 plan may constitute a round 6 regionally coordinated homelessness action plan.
(b) The department shall approve a round 6 regionally coordinated homelessness action plan when the department determines that the plan meets all of the requirements of this section.
(c) The round 6 regionally coordinated homelessness action plan shall include all of the following components:

(1) Identification and analysis of the specific roles and responsibilities of each participating jurisdiction in the region regarding outreach and site coordination, siting and use of available land, the development of shelter, interim, and permanent housing options, and the coordination and connection to the delivery of services to individuals experiencing homelessness, or at risk of experiencing homelessness, including specifying roles and coordination plans in relation to Mental Health Services Act or Behavioral Health Services Act, within the region. The plan may also include roles and responsibilities of small jurisdictions in the region that elect to engage and collaborate on the plan.

(2) Most recent system performance measures for the region, which shall include all of the following, as well as age, racial, and ethnic disparities for all of the following:

(A) The number of people experiencing homelessness.

(B) The average length of time people experience homelessness.

(C) The percentage of people exiting homelessness into permanent housing.

(D) The number of people who return to homelessness after exiting homelessness into permanent housing.

(E) The number of people exiting homelessness into permanent housing.

(F) The number of people falling into homelessness for the first time.

(G) The number of people who return to homelessness after exiting institutional settings, including, but not limited to, jails, prisons, and hospitals.

(3) A system performance and improvement plan, which shall include a description of key actions the region intends to take to improve the system performance measures described in paragraph (2). The system performance and improvement plan may also include key actions of small jurisdictions in the region that elect to engage and collaborate in the regionally coordinated homelessness action plan. In naming key actions in the system performance and improvement plan, a region will identify all of the following:

(A) The lead entity on the key action and collaborating entities partnering to achieve the key action.

(B) A timeframe for steps and completion of each key action.

(C) The methods of measuring the success of each key action and related system performance measures that will demonstrate success of the key action.

(D) An explanation of how each participating jurisdiction is utilizing local, state, and federal funding programs as key actions to improve the system performance measures, including, but not limited to, all of the following:

(i) The Homekey program, as described in Section 50675.1.1.

(ii) The No Place Like Home Program (Part 3.9 (commencing with Section 5849.1) of Division 5 of the Welfare and Institutions Code).

(iii) The Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2).

(iv) The Housing for a Healthy California Program (Part 14.2 (commencing with Section 53590)).

(v) The Homeless Housing, Assistance, and Prevention program (Chapter 6 (commencing with Section 50216)). All items currently being funded through rounds 1 through 4, inclusive, pursuant to the Homeless Housing, Assistance, and Prevention program (Chapter 6 (commencing with Section 50216)) and round 5 pursuant to the Round 5 of the Homeless Housing, Assistance, and Prevention program (Article 1 (commencing with Section 50232)), and those items proposed to be funded by round 6 pursuant to this article must be included as key actions. If an item proposed to be funded under the rounds will not lead to improvement of the system performance measures described in paragraph (2), it is not an eligible use of funding pursuant to those rounds.

(vi) Funding distributed to local jurisdictions pursuant to subparagraph (B) of paragraph (2) of subdivision (b) of Section 50470.

(vii) The California Emergency Solutions Grants Program (Chapter 19 (commencing with Section 50899.1) of Part 2).

(viii) The National Housing Trust Fund established pursuant to the Housing and Economic Recovery Act of 2008 (Public Law 110-289), and implementing federal regulations.

(ix) HOME Investment Partnerships Act (Chapter 16 (commencing with Section 50896)).

(x) Parolee or probation programs that are intended to prevent homelessness upon release.

(xi) CalWORKs (Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code).

(xii) CalFresh (Chapter 10 (commencing with Section 18900) of Part 6 of Division 9 of the Welfare and Institutions Code).

(xiii) Supplemental Security Income/State Supplemental Program (SSI/SSP) (Subchapter 16 (commencing with Section 1381) of Chapter 7 of Title 42 of the United States Code and Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code) and the Cash Assistance

Program for Immigrants (CAPI) pursuant to Chapter 10.3 (commencing with Section 18937) of Chapter 10.3 of Part 6 of Division 9 of the Welfare and Institutions Code.

(xiv) In-home supportive services.

(xv) Adult protective services.

(xvi) Child welfare.

(xvii) Child care and development.

(xviii) Disability benefits advocacy.

(xix) Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code).

(xx) Mental Health Services Act and Behavioral Health Services Act.

(E) A description of how the key actions will ensure racial and gender equity in service delivery, housing placements, and housing retention and changes to procurement or other means of affirming racial and ethnic groups that are overrepresented among residents experiencing homelessness have equitable access to housing and services.

(d) Participating jurisdictions shall collaborate to complete the regionally coordinated homelessness action plan and shall engage in a public stakeholder process that includes at least three public meetings before completing the plan.
(e) The participating jurisdictions shall invite and encourage all of the following to engage in the public stakeholder process:

(1) People with lived experience of homelessness.

(2) Youth with lived experience of homelessness.

(3) Local department leaders and staff of qualifying small jurisdictions, including child welfare, health care, behavioral health, justice, and education system leaders.

(4) Homeless service and housing providers, including non-profit developers of permanent supportive housing, working in that region.

(5) Each Medi-Cal Managed Care Plan contracted with the State Department of Health Care Services in the region.

(6) Street medicine providers and other providers directly serving people experiencing homelessness or at risk of homelessness.

(7) Federally recognized tribal governments pursuant to Section 4103 of Title 25 of the United States Code that are within the region.

(f) The regionally coordinated homelessness action plan shall be reflected in a memorandum of understanding committing each signatory to participation in, and to comply with, the regionally coordinated homelessness action plan.
(g) Smaller jurisdictions in the region may also sign the memorandum of understanding and commit to participation in, and compliance with, the regionally coordinated homelessness action plan. Counties are encouraged to allocate resources from program funding to smaller jurisdictions that participate in and commit to complying with the regionally coordinated homelessness action plan.
(h) Upon receipt of a proposed regionally coordinated homelessness action plan, the department shall review it in coordination with the council, the State Department of Health Care Services, and the State Department of Social Services.
(i) A qualifying jurisdiction participating in a regionally coordinated homelessness action plan shall post on its internet website the proposed, approved, and amended regionally coordinated homelessness action plan.
(j) The department may consult with any local government, public agency, group, or person, and shall receive and consider any written comments from any public agency, group, or person, regarding the action by a participating jurisdiction in determining whether the regional coordinated homeless action plan substantially complies with this article.
(Added by Stats. 2024, Ch. 48, Sec. 13. (AB 166) Effective July 2, 2024.)

50241.
(a) Upon appropriation by the Legislature, the funds administered pursuant to this article, less the set aside funds provided for the department's costs of administration in subdivision (c) of Section 50239, shall be made available in the 2024–2025 fiscal year for implementing round 6 of the program, as follows:

(1) Not more than 80 percent of the funding available pursuant to this section shall be available to cities, counties, or continuums of care, for basic program allocations, as follows:

(A) Thirty percent of the funds described in this paragraph shall be available to continuums of care. The department shall calculate these allocations to a continuum of care based on each continuum of care's proportionate share of the state's total homeless population, based on the homeless point-in-time count. The department shall not award more than 40 percent of the allocation made pursuant to this subparagraph to a continuum of care.

(B) Forty-two percent of the funds described in this paragraph shall be available to each city, or a city that is also a county, that has a population of 300,000 or more, as of January 1, 2022, according to data published on the Department of Finance's internet website. The department shall calculate the allocation to a city based on the city's proportionate share of the total homeless population of the region served by the continuum of care within which the city is located, based on the homeless point-in-time count. The department shall not award more than 45 percent of the program allocation made pursuant to this subparagraph to a city. If more than one recipient within the continuum of care meets the requirements of

this subparagraph, the proportionate share of funds shall be equally allocated to those jurisdictions.

(C) Twenty-eight percent of the funds described in this paragraph shall be available to each county. The department shall calculate the allocation to a county based on the county's proportionate share of the total homeless population of the region served by the continuum of care within which the county is located, based on the homeless point-in-time count. The department shall not award more than 40 percent of the program allocation made pursuant to this subparagraph to a county.

(2) Not more than 17 percent of the funding available pursuant to this section shall be available to eligible cities, counties, and tribal applicants for the purpose of providing supplemental support for the Homekey program pursuant to Section 50244.

(3) Not more than 3 percent of the funding available pursuant to this section shall be available to tribal applicants. Notwithstanding any other provision of this article, the funds described in this paragraph shall be allocated as follows:

(A) A tribe may apply for program funds and the department shall make allocations to tribes on the basis of need. Tribes that apply for program funds pursuant to subparagraph (B) shall be allocated funds up to their requested amount. If the total requested funds exceeds the amount available collectively among all tribal applicants, the department shall determine an allocation methodology based on each tribal applicant's proportionate share of need relative to all tribes that submit an application for funding.

(B) A tribal applicant seeking funds pursuant to this section shall submit an application to the department, in the form and manner prescribed by the department, no later than June 30, 2025, with all of the following information:

(i) The amount of grant funds the tribe is requesting.

(ii) An explanation of the tribe's local need, including an estimation of the number of people who need homelessness services and the current resources that exist.

(iii) A description of the services on which the tribe plans to spend its grant funds. These activities shall be allowable pursuant to Section 50243.

(C) Any funds available to tribal applicants pursuant to this paragraph that are unallocated as of July 1, 2027, shall be reallocated for distribution to tribal applicants as part of future program rounds.

(D) A tribal applicant is encouraged to partner with a local continuum of care or coordinated entry system.

(b) An applicant applying for round 6 program funds pursuant to this section shall comply with the requirements set forth in Section 50220.6.
(c) A program recipient shall not use funding from the program allocated under this section to supplant existing local funds for homelessness services under penalty of disallowance or reduction, or both, of future program funds, as determined by the department.
(d) (1) No more than 5 percent of the appropriated funds shall be used to cover state administrative costs pursuant to subdivision (c) of Section 50239.
(2) The department may expend administrative funds until December 31, 2029, to complete grant closeout activities.

(e) A program recipient shall use at least 10 percent of the funds allocated under this section for services for homeless youth populations. This subdivision does not prohibit program recipients from spending a greater percentage on services for homeless youth populations.
(f) Moneys allocated pursuant to this section shall be expended in compliance with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.
(Added by Stats. 2024, Ch. 48, Sec. 13. (AB 166) Effective July 2, 2024.)

50242.
(a) The department shall make an application for round 6 base program allocations available no later than January 31, 2025.
(b) Applications shall be due no later than 180 days from the date applications are made available pursuant to subdivision (a).
(c) (1) Applicants from each region shall submit a single, regional application from their shared region.
(2) Each applicant shall have the discretion to receive their base program allocation directly or may designate a corresponding eligible applicant in their region to serve as the fiscal agent responsible for the administration of funding made available pursuant to this article.

(d) Within 30 days of the application deadline pursuant to subdivision (b), the department shall either approve the application or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:
(1) Greater detail on any aspect of the application so the department can ensure fidelity with the applicant's proposed use of funds and impact on system performance measures.

(2) Modifications or provision of additional information on the applicant's proposed funding plan to ensure compliance with this section, and ensure alignment with evidence-based solutions to reduce homelessness.

(3) Any other modifications or provision of information that would allow the department to better monitor and evaluate the region's compliance with its regionally

coordinated homelessness action plan and whether it is meeting objective performance standards.

(e) (1) An applicant whose application has been returned pursuant to this section shall respond to the department's requested amendments and submit a revised application within 30 days. Where the revised application differs from the department's requests, the applicant shall include an explanation of the differences and the rationale for departing from requested amendments.

(2) The department shall have 30 days within which to approve the application if, as amended, it addressed the department's concerns or to provide the applicant with additional guidance and a deadline for further amending to fully address the department's concerns.

(f) (1) To receive a round 6 base program allocation, an applicant shall submit an application to the department. A complete application submitted pursuant to this section shall include, in the form and manner prescribed by the department, all of the following:

(A) A regionally coordinated homelessness action plan that the department finds compliant with Section 50240. This may be an updated version of the action plan submitted in prior rounds if that action plan was found compliant by the department.

(B) A detailed proposal for how the applicant intends to use the funds for which it is applying that complies with Section 50243.

(C) All other components that the department shall deem necessary to the proper administration of the program.

(2) After approval of an application pursuant to this section, the department shall disburse 50 percent of an eligible city's, county's, or continuum of care's total allocation pursuant to subdivision (a) of Section 50241 upon a determination that the eligible city, county, or continuum of care has done all of the following:

(A) Contractually obligated all of its funding from rounds 1 through 3 of the program.

(B) Expended all of its funding from round 1 of the program.

(C) Expended at least 50 percent of its funding and contractually obligated 75 percent of its funding from the first disbursement of round 4 of the program.

(g) The department and recipients shall post final round 6 program applications to their respective internet websites within 30 days of disbursal to the applicant.

(h) (1) On or before January 31, 2027, a grantee shall submit to the department an update to their round 6 regionally coordinated homelessness action plan activities, which shall include updates on the obligation and expenditure activities, progress on their system performance and improvement plan, key actions and corresponding updates on system performance measures carried out pursuant Section 50240, as applicable.

(2) The department shall, within 30 days, review the update and report its findings to the participating grantee pursuant to this subdivision.

(3) If the department finds that the grantee has adhered to the requirements of this section, or concludes that the grantee has addressed any shortcomings in the update, the department shall approve the update.

(4) (A) If the department finds that a grantee failed to adhere to the requirements of this section, the department may require the participating jurisdictions in the region to make specific changes needed to meet the requirements of this section. If the department concludes that the grantee made insufficient progress on key actions or failed to improve on at least one-half of the region's system performance measures, the department may require the participating jurisdictions to provide a corrective action plan to the update to the regionally coordinated action plan to address these findings. Participating jurisdictions shall accomplish these changes or submit a corrective action plan, as applicable, within 30 days of being notified by the department.

(B) The department shall have 30 days to review the changes or corrective action plan, as applicable, to determine if they addressed the department's concerns and approve the update, or to provide the grantee with additional guidance and a deadline for making changes or further amending the corrective action plan to address the department's concerns.

(5) (A) The department may withhold the remaining 50 percent of funds from a grantee until the department has approved the update to the grantee's round 6 regionally coordinated homelessness action plan.

(B) The department shall provide technical assistance and support of jurisdictions efforts to comply with the requirements of this paragraph.

(6) Regions are encouraged to update their memorandums of understanding to reflect their updated regionally coordinated homelessness action plan that have been approved pursuant to this subdivision. The department may ask for confirmation that a region has updated its memorandum of understanding to reflect a part of a corrective action required under this section.

(7) In making determinations pursuant to this subdivision the department may provide exceptions to the requirement if the recipient demonstrates hardship by a disaster for which a state of emergency is proclaimed by the Governor pursuant to Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code.

(8) After the department has deemed a regionally coordinated action plan compliant with this section, the grantee shall submit any proposed revisions to the department for review and approval. No later than 30 days from submission, the department shall review the proposed revisions and either approve the revisions or recommend changes.

(9) All proposed, approved, and amended regionally coordinated homelessness action plans shall be posted on the internet website of all participating jurisdictions in the regionally coordinated homelessness action plan, and the department shall post all action plans received from participating jurisdictions.

(10) In determining whether the regionally coordinated homelessness action plan substantially complies with this article, the department may consult with any local government, public agency, group, or person, and shall receive and consider any written comments from any public agency, group, or person, regarding the action by a participating jurisdiction.

(i) (1) A recipient shall contractually obligate not less than 75 percent, and shall expend not less than 50 percent, of the initial round 6 program allocations made to it pursuant to paragraph (2) of subdivision (f) no later than June 30, 2027.

(2) The department shall disburse the remaining 50 percent of a recipient's total base allocation pursuant to Section 50241 only after the recipient demonstrates all of the following:

(A) Compliance with subdivision (h).

(B) Compliance with the requirement to contractually obligate and expend a minimum amount of its round 6 program allocation pursuant to paragraph (1).

(C) That the recipient has a compliant housing element as defined in Section 65589.9 of the Government Code, if the recipient is a city or county. If the recipient does not have a compliant housing element, the department shall hold the disbursement until the recipient is housing element compliant, consistent with paragraph (3).

(3) On or before December 31, 2028, a recipient shall return to the department any funds that have not been expended pursuant to this subdivision, to be allocated as supplemental awards by the department in accordance with Section 50244.

(j) The department may request additional information from applicants, as needed, to meet other applicable reporting or audit requirements.

(k) In addition to requirements in Section 50222, the department may monitor the expenditures and programmatic activities of an applicant, as the department considers necessary, to ensure compliance with round 6 program requirements.

(l) The department may, as it considers appropriate or necessary, request the repayment of round 6 program funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.

(m) Any remaining amounts of round 6 base program allocation funds not expended by June 30, 2029, shall revert to, and be paid and deposited in, the General Fund.

(Added by Stats. 2024, Ch. 48, Sec. 13. (AB 166) Effective July 2, 2024.)

50243.

(a) The intent of round 6 is to reflect the state's priorities to prevent and expeditiously reduce unsheltered homelessness through homelessness prevention activities, sustaining existing interim housing solutions, and permanent housing solutions, including long-term sustainability of affordable permanent supportive housing.

(b) Applicants shall develop data-driven plans that fund the state's priorities.

(c) Applicants shall demonstrate how the region will use available resources to sustain all existing and, as applicable, any proposed interim housing investments within the region, including, but not limited to, use of local dedicated funding, Behavioral Health Services Act funds, or any funds pursuant to Chapter 6 (commencing with Section 50216) or this chapter as long-term capitalized operating reserves, or any other local, state, or federal funding source.

(d) Before proposing to use round 6 resources to fund new interim housing other than new interim housing for youth or proposing to use round 6 resources to fund nonhousing solutions, applicants shall first demonstrate that their region has dedicated sufficient resources from other sources to sustain their existing and planned portfolio of long-term permanent affordable housing and existing interim solutions, including capital and operating costs.

(e) Subject to subdivision (d), allowable uses of round 6 base program allocation funds include all of the following:

(1) Permanent housing solutions that can prevent or serve those experiencing unsheltered homelessness, including, but not limited to, persons experiencing homelessness coming from encampment sites. These uses include all of the following:

(A) Rental subsidies, including to support placement of individuals in CARE Court.

(B) Landlord incentives, such as security deposits, holding fees, funding for needed repairs, and recruitment and relationship management costs.

(C) Move-in expenses.

(D) Operating Subsidies in new and existing affordable or supportive housing units serving people experiencing or at risk of homelessness, including programs such as Homekey, new or existing residential care facilities, funded by the Behavioral Health Continuum Infrastructure Program or the Community Care Expansion Program. Operating Subsidies may include capitalized operating reserves.

(E) Supportive services for people in permanent housing, so long as the services are trauma-informed and practice harm reduction, to include intensive case management services, assertive community treatment services, critical time intervention services, other tenancy support services, evidence-based employment services, coordinating mental health, substance use, and primary care treatment, or other evidence-based supportive services to increase housing retention.

(F) Capital for permanent housing that serves people experiencing homelessness,

including conversion of underutilized buildings or existing interim or transitional housing into permanent housing.

(G) Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in permanent supportive housing.

(2) Homelessness prevention includes, but is not limited to, both of the following:

(A) Rental assistance, rapid rehousing, and other programs as long as they prioritize households with incomes at or below 30 percent of the area median income.

(B) Diversion support programs that prevent people at risk of or recently experiencing homelessness from entering unsheltered or sheltered homelessness.

(3) Interim housing solutions, that can provide shelter to those experiencing unsheltered homelessness, including, but not limited to, persons experiencing homelessness coming from encampment sites. These uses include all of the following:

(A) Navigation centers that are low barrier, as defined in Sections 65660 and 65662 of the Government Code.

(B) Operating expenses for existing congregate shelter sites.

(C) Operating expenses in new or existing noncongregate shelter sites and transitional housing for youth.

(D) Motel or hotel vouchers.

(E) Services provided to people in interim housing, to include trauma-informed and evidence-based intensive case management services, housing navigation, connecting people to substance use or mental health treatment, public benefits advocacy, and other supportive services to promote stability and referral into permanent housing.

(F) Capital funding to build new noncongregate shelter sites and transitional housing sites for homeless youth, including for construction, rehabilitation, and capital improvements to convert existing congregate sites into noncongregate sites.

(G) Capital funding for clinically enhanced congregate or noncongregate shelter sites.

(H) Youth-focused services in transitional housing.

(I) Improvements to existing emergency shelters to lower barriers and increase privacy.

(J) Any new interim sheltering funded by round 6 funds shall be low barrier, comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code, and prioritize interventions other than congregate shelters except clinically enhanced congregate shelters as specified in subparagraph (G).

(4) Nonhousing solutions, including nonhousing services for people experiencing unsheltered homelessness, including, but not limited to, persons experiencing homelessness from encampment sites and those transitioning out of encampment sites. This includes street outreach, evidence-based engagement services, intensive case management services, assertive community treatment, housing navigation, harm reduction services, coordination with street-based health care services, and hygiene services for people living in encampments and unsheltered individuals.

(f) (1) Applicants may request, in a form prescribed by the department, approval to utilize round 6 funding on allowable expenditures outside of the state's intended priorities, as enumerated in this section.

(2) The department may grant applicants preapproval to utilize program funding on allowable uses only after an applicant has demonstrated that state priorities are adequately resourced, and the applicant has exhausted all means to accomplish these priorities.

(g) An applicant shall not use more than 7 percent of a round 6 program allocation for administrative costs incurred by the city, county, continuum of care, or tribe to administer its program allocation. For purposes of this subdivision, "administrative costs" does not include staff or other costs directly related to implementing activities funded by the program allocation.

(h) (1) The department may authorize an applicant to use up to an additional 1 percent for costs related to the Homeless Management Information System. Related costs include Homeless Management Information System licenses, training, system operating costs, and costs associated with carrying out related activities.

(2) Upon agreement between the grantee and the Homeless Management Information System lead entity, the grantee shall transfer the authorized amount of funds pursuant to paragraph (1) for related costs to the Homeless Management Information System lead entity. The department shall specify the method and manner for this transfer of funds.

(i) A recipient of a round 6 program allocation shall comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.

(j) Notwithstanding Section 27011 of the Government Code, or any other law governing the deposit of funds in the county treasury, a county may accept or deposit into the county treasury funds from any source for the purpose of administering a project, proposal, or program under this article.

(k) For purposes of Section 1090 of the Government Code, a representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this article shall have no financial interest in any contract, program, or project voted on by the board, committee, or body on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.
(l) A program recipient shall not use funding from the program allocated under this section to supplant Encampment Resolution Funding program grant funds provided under Section 50251.
(Added by Stats. 2024, Ch. 48, Sec. 13. (AB 166) Effective July 2, 2024.)

50244.
(a) For the purposes of this section, the supplemental Homekey program shall be the same as the program set forth in Section 50675.1.3, except that the applicants are limited to those described in meeting the criteria set forth in subdivisions (b) and (c).
(b) Tribal applicants, cities, and counties that are eligible for round 6 shall be eligible, separately, for supplemental Homekey funding pursuant to this section.
(c) To be eligible for the supplemental Homekey program, a city or county must satisfy both of the following:
(1) Have a compliant Housing Element as defined in Section 65589.9 of the Government Code by the time of being granted the award. This requirement does not apply to tribal applicants.

(2) Have an approved regionally coordinated homelessness action plan pursuant to this article. This requirement does not apply to tribal applicants.

(d) On or after January 1, 2026, the department shall make an application available for supplemental Homekey funding pursuant to this section.
(e) Funding allocated by this section shall consist of round 6 funding provided in paragraph (2) of subdivision (a) of Section 50241.
(Added by Stats. 2024, Ch. 48, Sec. 13. (AB 166) Effective July 2, 2024.)

Homeless Housing, Assistance, and Prevention Program Reporting

Health and Safety Code – HSC
50220.6.
(a) Notwithstanding any law, a recipient that enters into an agreement as set forth in paragraph (10) of subdivision (a) of Section 50219, paragraph (7) of subdivision (b) of Section 50225.5, clause (iii) of subparagraph (B) of paragraph (3) of subdivision (b) of Section 50220.7, and subparagraph (C) of paragraph (3) of subdivision (b) of Section 50220.8 shall provide data elements, including, but not limited to, health information, in a manner consistent with federal law, to the statewide Homeless Management Information System when the system becomes available.
(b) (1) The council shall specify the form and substance of the required data elements.
(2) The council may, as required by operational necessity, amend or modify data

elements, disclosure formats, or disclosure frequency.

(c) Any health information provided to, or maintained within, the statewide Homeless Management Information System shall not be subject to public inspection or disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).
(d) For purposes of this paragraph, “health information” means “protected health information,” as defined in Part 160.103 of Title 45 of the Code of Federal Regulations, and “medical information,” as defined in subdivision (j) of Section 56.05 of the Civil Code.
(Amended by Stats. 2022, Ch. 28, Sec. 98. (SB 1380) Effective January 1, 2023.)

50221.
(a) After receiving program funds, a recipient, by April 1 of the year following receipt of the funds and annually on that date thereafter until all funds have been expended, shall submit a report to the department on a form and method provided by the department that includes all of the following, as well as any additional information the department deems appropriate or necessary:

(1) An ongoing tracking of the specific uses and expenditures of any program funds broken out by eligible uses listed, including the current status of those funds.

(2) The number of homeless individuals served by the program funds in that year, and the total number of homeless individuals served in all years of the program.

(3) The types of housing assistance provided, broken out by the number of individuals.

(4) Outcome data for an individual served through program funds, including the type of housing that an individual exited to, the percent of successful housing exits, and exit types for unsuccessful housing exits.

(b) No later than April 1, 2026, each applicant that receives a round 1 program allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.
(c) The department shall post this information to its internet website within 30 days of receipt and provide notice to the Senate Housing Committee, Assembly Housing and Community Development Committee, and the appropriate budget committees.
(Amended by Stats. 2024, Ch. 48, Sec. 6. (AB 166) Effective July 2, 2024.)

50222.
(a) Beginning in 2021, in addition to the data required on the report under Section 50221, applicants shall provide the following information for both rounds of program allocations through a data collection, reporting, performance monitoring, and accountability framework, as established by the council:

(1) Data collection shall include, but not be limited to, information regarding individuals and families served, including demographic information, information

regarding partnerships among entities or lack thereof, and participant and regional outcomes.

(2) The performance monitoring and accountability framework shall include clear metrics, which may include, but are not limited to, the following:

(A) The number of individual exits to permanent housing, as defined by the United States Department of Housing and Urban Development, from unsheltered environments and interim housing resulting from this funding.

(B) Racial equity, as defined by the department in consultation with representatives of state and local agencies, service providers, the Legislature, and other stakeholders.

(C) Any other metrics deemed appropriate by the department and developed in coordination with representatives of state and local agencies, advocates, service providers, and the Legislature.

(3) Data collection and reporting requirements shall support the efficient and effective administration of the program and enable the monitoring of jurisdiction performance and program outcomes.

(b) Based on the data collection, reporting, performance monitoring, and accountability framework established by the department pursuant to subdivision (a), all recipients of a program allocation, no later than April 1 of the year following receipt of funds, and annually on that date thereafter until all funds have been expended, shall submit a report to the department in a format provided by the department.
(c) No later than April 1, 2027, each recipient that receives a round 2 program allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.
(d) Data collection and data sharing pursuant to this chapter shall be conducted and maintained in accordance with all applicable state and federal privacy and confidentiality laws and regulations.
(e) The client information and records of services provided pursuant to this chapter shall be subject to the requirements of Section 10850 of the Welfare and Institutions Code and shall be exempt from inspection under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Part 1 of the Government Code).
(f) Notwithstanding any other law, data collected through the administration and operation of this chapter shall be captured based on the Homeless Management Information System data standards set forth by the United States Department of Housing and Urban Development and by any other means specified by the department, and may be shared with other programs to maximize the efficient and effective provision of public benefits and services, and to evaluate this chapter or its impact on other public benefit and services programs.
(Amended by Stats. 2024, Ch. 48, Sec. 7. (AB 166) Effective July 2, 2024.)

50223.

(a) Beginning with round 3 of the program, in addition to the data required under Sections 50221 and 50222, applicants shall provide the following information for all rounds of program allocations through a data collection, reporting, performance monitoring, and accountability framework, as established by the council:

(1) (A) Data on the applicant's progress towards meeting their system performance measures, which shall be submitted annually on April 1 of each year reporting through December 31 of the prior year for the duration of the program.

(B) If the applicant has not made significant progress toward their system performance measures, the applicant shall submit a description of barriers and possible solutions to those barriers.

(C) Applicants that do not demonstrate significant progress towards meeting system performance measures shall accept technical assistance from the department and may also be required to limit the allowable uses of these program funds, as determined by the department.

(2) A monthly fiscal report of program funds expended and obligated in each allowable budget category approved in their application for program funds.

(b) No later than April 1, 2027, each recipient that receives a round 3 program allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.
(c) No later than April 1, 2028, each recipient that receives a round 4 program allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.
(d) No later than April 1, 2029, each recipient that receives a round 5 program allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.
(e) No later than April 1, 2030, each recipient that receives a round 6 allocation shall submit to the department a final report in a format provided by the department, as well as detailed uses of all program funds.
(f) The department shall post the information described in this section on its internet website within 30 days of its receipt of the information, and provide notice to the Senate Committee on Housing, Assembly Committee on Housing and Community Development, and the appropriate budget committees.
(Amended by Stats. 2024, Ch. 48, Sec. 8. (AB 166) Effective July 2, 2024.)

Welfare and Institutions Code - WIC
8256.

(a) Except as provided in subdivision (c), agencies and departments administering state programs created on or after July 1, 2017, shall collaborate with the California Interagency Council on Homelessness to adopt guidelines and regulations to incorporate core components of Housing First.

(b) By July 1, 2019, except as otherwise provided in subdivision (c), agencies and departments administering state programs in existence prior to July 1, 2017, shall

collaborate with the council to revise or adopt guidelines and regulations that incorporate the core components of Housing First, if the existing guidelines and regulations do not already incorporate the core components of Housing First.

(c) (1) For the Returning Home Well Program, the Specialized Treatment for Optimized Programming Program, and the Long-Term Offender Reentry Recovery Program, all of which are administered by the Department of Corrections and Rehabilitation, which fund recovery housing, as defined in paragraph (3), for parolees, as defined by Section 3000 of Title 15 of the California Code of Regulations, the Department of Corrections and Rehabilitation shall do all of the following:

(A) In coordination with the California Interagency Council on Homelessness, consult with the Legislature, the Business, Consumer Services and Housing Agency, the California Health and Human Services Agency, the United States Department of Housing and Urban Development, and other stakeholders to identify ways to improve the provision of housing to individuals who receive funding from that agency or department, consistent with the applicable requirements of state law.

(B) Comply with the core components of Housing First, other than those components described in paragraphs (5) to (7), inclusive, of subdivision (b) of Section 8255.

(C) Ensure that recovery housing programs meet the following requirements:

(i) A recovery housing program participant shall sign an agreement upon entry that outlines the roles and responsibilities of both the participant and the program administrator to ensure individuals are aware of actions that could result in removal from the recovery housing program. Violations of the agreement shall not automatically result in discharge from the recovery housing program.

(ii) Efforts to link program participants to alternative housing options, including interim sheltering, permanent housing, or transitional housing, shall be documented. If a recovery housing program participant chooses to stop living in a housing setting with a recovery focus, is discharged from the program, or is removed from housing, the program administrator shall offer assistance in accessing other housing and services options, including options operated with harm-reduction principles, and identifying an alternative housing placement. This clause does not apply to an individual who leaves the program without notifying the program administrator.

(iii) The program administrator shall offer program participants who inform the program administrator that they are leaving the program one or more of the following:

(I) Tenant housing navigation services to permanent housing.

(II) Connections to alternative housing providers.

(III) Access to supportive services.

(IV) Intake into a locally-coordinated entry system.

(V) Warm handoff to a partner homeless services provider offering housing navigation.

(iv) The recovery housing program administrator shall track and report annually, to the program's state funding source, the housing outcome for each

program participant who is discharged, including, but not limited to, the following information:

(I) The number of homeless individuals with a housing need served by the program funds that year, as well as the demographics of the population served.

(II) Outcome data for all individuals served through program funds, including the type of housing that the individuals were connected to, the type of housing the individuals were exited to, the percent of housing exits that were successful, and exit types of unsuccessful housing exits.

(v) The department shall make every effort to ensure that exits to homelessness are extremely rare.

(2) The Department of Corrections and Rehabilitation shall make efforts to reduce recidivism by offering participation to formerly incarcerated persons in recovery housing programs. Connections to safe and supportive housing is a critical priority for successful community reintegration.

(3) For purposes of this subdivision, “recovery housing” means sober living facilities and programs that provide housing in a recovery-focused and peer-supported community for people recovering from substance use issues. Participation is voluntary, unless that participation is pursuant to a court order or is a condition of release for individuals under the jurisdiction of a county probation department or the Department of Corrections and Rehabilitation.

(d) (1) Beginning on January 1, 2023, a grantee or entity operating any of the following state homelessness programs, as a condition of receiving state funds, shall enter the required data elements described in paragraph (8) on the individuals and families it serves into its local Homeless Management Information System, as required by the United States Department of Housing and Urban Development guidance described in paragraph (8), unless otherwise exempted by state or federal law:

(A) The program referred to as Homekey, as described in Section 50675.1.1 of the Health and Safety Code.

(B) The Housing for a Healthy California Program established pursuant to Part 14.2 (commencing with Section 53590) of Division 31 of the Health and Safety Code.

(C) The No Place Like Home Program established pursuant to Part 3.9 (commencing with Section 5849.1) of Division 5.

(D) The Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code).

(E) The Veterans Housing and Homeless Prevention Act of 2014, as established by Article 3.2 (commencing with Section 987.001) of Chapter 6 of Division 4 of the Military and Veterans Code.

(F) The Bringing Families Home Program, as established by Article 6 (commencing with Section 16523) of Chapter 5 of Part 4 of Division 9.

(G) The CalWORKs Housing Support Program, as established by Article 3.3 (commencing with Section 11330) of Chapter 2 of Part 3 of Division 9.

(H) The Housing and Disability Income Advocacy Program, as established by Chapter 17 (commencing with Section 18999) of Part 6 of Division 9.

(I) The Community Colleges Homeless and Housing Insecure Pilot Project, as established by funds appropriated by the Budget Act of 2019.

(J) The Homeless Housing, Assistance, and Prevention Program established in Chapter 6 (commencing with Section 50216) of Part 1 of Division 31 of the Health and Safety Code.

(2) Council staff, in consultation with respective administering state agencies or departments, shall specify the entry format and disclosure frequency for the programs subject to this subdivision to submit the data elements as specified in paragraph (1) to inform and meet the council's statewide objectives and goals described in Section 8257.

(3) (A) The requirements of paragraph (1) shall additionally apply to all new state homelessness programs that commence on or after July 1, 2021.

(B) New state homelessness programs and new grantees of the existing state programs described in paragraph (1) may be granted an extension of up to one year from program launch to meet the requirements of this subdivision.

(4) For purposes of this subdivision, state homelessness programs are defined as those programs that are funded, in whole or in part, by the state with the express purpose of addressing or preventing homelessness or providing services to people experiencing homelessness. This definition shall be broadly construed for the purpose of carrying out the requirements of this subdivision.

(5) The requirements of paragraphs (1) and (3) do not supplant any existing requirements imposed on a grantee or entity operating a state program described in this subdivision that require the program to report data into their local Homeless Management Information Systems before January 1, 2023.

(6) (A) Any grantee or entity operating a program described in paragraph (1) or (3) that does not already collect and enter into the local Homeless Management Information System the data elements required under this subdivision shall, upon request, receive technical assistance and guidance from council staff and, as available, from federal partners, including, but not limited to, the United States Department of Housing and Urban Development.

(B) When a grantee or entity operating a program requests technical assistance, the council shall inform the respective administering state agency or department and offer the opportunity to partner or coordinate the provision of technical assistance.

(7) Any grantee or entity operating a program described in paragraph (1) shall, upon request, be granted an extension to meet the requirements in this subdivision, provided noncompliant grantees are making good faith progress towards meeting the requirements. An extension granted under this paragraph shall not extend beyond July 1, 2023. For purposes of this paragraph, "making good faith progress" includes, but is not limited to, engaging in technical assistance offered under paragraph (6) and

establishing a plan to comply with this subdivision.

(8) For purposes of this subdivision, required data elements are the Universal Data Elements (Items 3.01–3.917) and the Common Data Elements (Items 4.02–4.20 and Item W5 of the Individual Federal Partner Program Elements) drawn from the United States Department of Housing and Urban Development Homeless Management Information System Data Standards. When necessary, due to federal changes to the items indicated in this paragraph, the required data elements may be amended to maintain alignment with federal standards.

(9) Beginning January 1, 2022, council staff shall provide aggregate data summaries collected in full pursuant to this subdivision to the respective administering state agencies or departments that oversee relevant programs within 45 days of receipt. Where feasible, council staff shall notify the respective administering state agencies or departments at least 14 days before sharing, publicly using, or referencing the data, including, but not limited to, using the data for any substantive analysis, summary statistics, or other findings.

(e) The Board of State and Community Corrections Adult Reentry Grant programs that fund recovery housing subject to this chapter shall apply the requirements of this chapter prospectively beginning July 1, 2022, through any new contracts or agreements.

(Amended by Stats. 2022, Ch. 70, Sec. 48. (SB 197) Effective June 30, 2022.)

Appendix B: Definitions

The following HHAP 6 program terms are defined in accordance with HSC section 50230-50244:

a) "Agency" means the Business, Consumer Services and Housing Agency.
b) "Applicant" means a continuum of care, city, county, or a region for purposes of the HHAP Round 6 Regionally Coordinated Homelessness Action Plan.
c) "City" means a city or city and county that is legally incorporated to provide local government services to its population. A city can be organized either under the general laws of this state or under a charter adopted by the local voters.
d) "Continuum of care" means the same as defined by the U.S. Department of Housing and Urban Development in Section 578.3 of Title 24 of the Code of Federal Regulations.
e) "Coordinated Entry System" means a centralized or coordinated process developed pursuant to Section 578.7 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019, designed to coordinate homelessness program participant intake, assessment, and provision of referrals. In order to satisfy this subdivision, a centralized or coordinated assessment system shall cover the geographic area, be easily accessed by individuals and families seeking housing or services, be well advertised, and include a comprehensive and standardized assessment tool.
f) "Regionally Coordinated Homelessness Action Plan" means the regionally coordinated homelessness action plan described in Section 50240.
g) Unless context requires otherwise, "council," with respect to the administration of HHAP Round 6, means the California Department of Housing and Community Development.
h) "Department" means the Department of Housing and Community Development.
i) "Emergency shelter" has the same meaning as defined in subdivision (e) of Section 50801.
j) "Grantee" means an eligible applicant that has been awarded its initial Round 6 base allocation or total Round 6 base allocation.
k) "Homeless" has the same meaning as defined in Section 578.3 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019.
l) "Homeless Management Information System" means the information system designated by a continuum of care to comply with federal reporting requirements as defined in Section 578.3 of Title 24 of the Code of Federal Regulations. The term "Homeless Management Information System" also includes the use of a comparable database by a victim services provider or legal services provider that is permitted by the federal government under Part 576 of Title 24 of the Code of Federal Regulations.
m) "Homeless point-in-time count" means the most recently available point-in-time count data as reflected in the Annual Homeless Assessment Report released by the U.S. Department of Housing and Urban Development.
n) "Homeless youth" means an unaccompanied youth between 12 and 24 years of age who is experiencing homelessness, as defined in Section 725(2) of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)).

"Homeless youth" includes unaccompanied youth who are pregnant or parenting.

o) "Housing First" has the same meaning as in Section 8255 and 8256 of the Welfare and Institutions Code, including all of the core components listed therein.
p) "Memorandum of understanding" has the same meaning as defined in subdivision (f) of Section 50240.
q) "Navigation center" means a Housing First, low-barrier, service-enriched shelter focused on moving homeless individuals and families into Permanent Housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.
r) "Program": Unless context requires otherwise, "Program" means Round 6 of the Homeless Housing, Assistance, and Prevention program, or round 6, established pursuant to Article 2 (commencing with Section 50239).
s) "Base program allocation" means the portion of program funds available as defined in Section 50241(a)(1) to expand or develop local capacity to address immediate homelessness challenges pursuant to the allowable uses specified in Section 50243.
t) "Homekey supplemental allocation" means the portion of program funds available to eligible jurisdictions as supplementary Homekey resources, as defined in Section 50234(a)(3) and 50241(a)(2) and administered under the Homekey+ Program.
u) "Recipient" means a jurisdiction that receives funds pursuant to this chapter for the purposes of the program.
v) "Region" means the geographic area served by a county, including all cities and continuum of care within it. A region that has a continuum of care that serves multiple counties may submit a plan that covers multiple counties and the cities within them, or the continuum of care may participate in the regionally coordinated homelessness action plan of each individual county that is part of the continuum of care along with the cities within the county.
    1. All continuums of care within the County of Los Angeles shall be considered part of a single region, along with the county and big cities within the county.
w) "Small jurisdiction" means a city that is under 300,000 in population as of January 1, 2022, according to data published on the internet website of the Department of Finance.
x) "Tribe" or "tribal applicant" means a federally recognized tribal government pursuant to Section 4103 of Title 25 of the United States Code that is located in California.

Additional Definitions for the purposes of this NOFA:

y) "Administrative Entity" means the entity that will enter into contract with HCD to receive HHAP funds directly for its own allocation (and the allocation(s) of other Eligible Applicants in the region when designated). The Administrative Entity is responsible for HHAP 6 funds and meeting the terms and conditions of the contract. Broadly speaking, this means administering funds, contracting (when necessary) with sub-recipients, and reporting on HHAP 6 dollars and activities to HCD.

z) “Eligible Applicant” means a City, or a City that is also a county, that has a population of 300,000 or more, as of January 1, 2022; a county; or a Continuum of Care.

aa) “Expended” means the amount of HHAP 6 funding which the Grantee has obligated under contract or subcontract that has been fully paid and no invoices remain outstanding.

bb) “New Interim Housing” means eligible uses as defined in HSC 50243 (e)(3)(A),(F),(G), and (J). New Interim Housing that meets the Youth Set Aside does not trigger the requirement to document the Sustainability of the Region’s Permanent Housing Portfolio pursuant to HSC section 50243(d).

cc) “Large City” means a City, or a City that is also a county, that has a population of 300,000 or more, as of January 1, 2022.

dd) “Obligated” means the amount of HHAP 6 funding for which the Grantee has placed orders, awarded contracts, received services, or entered into similar transactions that require payment. HHAP 6 Grantees must obligate the funds by the statutory deadlines set forth in this NOFA.

Appendix C: HHAP 6 Allocation Methodology Overview

HHAP 6 Allocation Amounts

Per **HSC 50241(a)**, HHAP 6 funds are allocated based on each Eligible Applicant's proportionate share of California's homeless population, as reported in the **2024 Point-In-Time (PIT) count.**

Basic Program Allocations

1. **Funding Breakdown**:
    a. **80% of Total Funding**: $800 million of the $1 billion total.
    b. **Less 5% Administrative Costs**: $760 million available for allocations.
2. **Allocation Categories**:
    a. **Continuums of Care (CoCs)**: 30% of $760 million.
    b. **Large Cities (population ≥300,000)**: 42% of $760 million.
    c. **Counties**: 28% of $760 million.

Continuum of Care Allocation Statute
HSC 50241(a)(1)(A)
Thirty percent of the funds described in this paragraph shall be available to continuums of care. The Department shall calculate these allocations to a continuum of care based on each continuum of care's proportionate share of the state's total homeless population, based on the homeless point-in-time count. The Department shall not award more than 40 percent of the allocation made pursuant to this subparagraph to a continuum of care.

CoC Allocation Methodology:
Using the 2024 PIT count, for each CoC, multiply its proportionate share of the state's total homeless population by the CoC allocation total ($228 million) to determine its individual allocation. For example, if a CoC represents 5 percent of the state's total homeless population, its individual allocation would be 0.05 × $228 million = $11.4 million. If any CoC's allocation exceeds $91.2 million (40 percent of the CoC allocation total), the excess amount is redistributed to all other CoCs proportionately.

Large Cities Allocation Statute
HSC 50241(a)(1)(B)
(B) Forty-two percent of the funds described in this paragraph shall be available to each city, or a city that is also a county, that has a population of 300,000 or more, as of January 1, 2022, according to data published on the Department of Finance's internet website. The Department shall calculate the allocation to a city based on the city's proportionate share of the total homeless population of the region served by the continuum of care within which the city is located, based on the homeless point-in-time count. The Department shall not award more than 45 percent of the program allocation made pursuant to this subparagraph to a city. If more than one recipient within the continuum of care meets the requirements of this subparagraph, the proportionate share of funds shall be equally allocated to those jurisdictions.

Large City Allocation Methodology:

- **If there is only one Large City** (defined as a city, or a city that is also a county, with a population greater than 300,000) within a CoC, that Large City's allocation will be calculated as 100 percent of that CoC's proportionate share of the state's total homeless population, but only among CoCs that include a Large City. The result of that percentage is then multiplied by the Large City allocation total ($319.2 million).
    - *Example:* If the CoC represents 10 percent of the state's total homeless population *among CoCs that include a Large City*, the Large City's allocation is 0.10 × $319.2 million = $31.92 million.
- **If two or more Large Cities exist within the same CoC,** their combined allocation is that CoC's proportionate share of the state's total homeless population (again, only among CoCs that include a Large City), multiplied by $319.2 million, and then split evenly among those Large Cities.
    - *Example:* If City A and City B are both Large Cities in the same CoC, and that CoC represents 5 percent of the state's total homeless population *among CoCs that include a Large City*, their total Large City allocation is 0.05 × $319.2 million = $15.96 million, and each City receives $7.98 million.
- **If any Large City** exceeds $143.64 million (45 percent of the Large City allocation total), the excess is redistributed to all other Large Cities proportionately.

County Allocation Statute
HSC 50241(a)(1)(C)
(C) Twenty-eight percent of the funds described in this paragraph shall be available to each county. The Department shall calculate the allocation to a county based on the county's proportionate share of the total homeless population of the region served by the continuum of care within which the county is located, based on the homeless point-in-time count. The Department shall not award more than 40 percent of the program allocation made pursuant to this subparagraph to a county.
County Allocation Methodology:

- **If there is only one county** within a CoC, its allocation will be 100 percent of that CoC's proportionate share of the state's total homeless population, multiplied by the county allocation total ($212.8 million).
    - *Example:* If a county is the only county in a CoC and that CoC represents 10 percent of the state's total homeless population, the county's allocation is 0.10 × $212.8 million = $21.28 million.
- **If two or more counties** exist within a CoC, each county's allocation is first determined by its share of that CoC's overall PIT count, then multiplied by the CoC's proportionate share of the state's total homeless population, and finally multiplied by $212.8 million.
    - *Example:* If County A and County B share a CoC that represents 5 percent of the state's total homeless population, and County A makes up 40 percent of that CoC's PIT count while County B makes up 60 percent, then:

        - County A's allocation = 0.40 × (0.05 × $212.8 million) = $4.256 million.
        - County B's allocation = 0.60 × (0.05 × $212.8 million) = $6.384 million.
- **If any county** exceeds $85.12 million (40 percent of the county allocation total), the excess amount is redistributed to all other counties proportionately.

Before the Board of Supervisors
County of Monterey, State of California

Resolution No. 24-099

Adopt a resolution to:
Approve and authorize the Director or Assistant Director of Social Services to sign and submit an application, sign and execute the state funding agreement for a term ending June 30, 2028 for an estimated amount of $2,555,064.19 and all future amendments with the California Interagency Council for Homelessness, Homeless Housing, Assistance and Prevention Program Round Five (HHAP-5), and sign and execute a Memorandum of Understanding with the regional partners, San Benito County and the Coalition of Homeless Services Providers for a term of March 27, 2024 through June 30, 2028.

WHEREAS, the County Board of Supervisors hereby approves the submission to the California Interagency Council on Homelessness an application for the Homeless Housing, Assistance and Prevention Program Round 5 (HHAP-5) funding allocation in the amount of $2,555,064.19, which includes operating support for our local shelter and navigation centers, street outreach, support services coordination, rapid rehousing, and related services for the benefit of our local homeless population;

WHEREAS, the County Board of Supervisors hereby authorizes the Director or Assistant Director of Social Services, to approve and execute a Memorandum of Understanding (MOU) formalizing the partnership for the operation of this HHAP-5 Program between the County of Monterey, the County of San Benito, and the regional Continuum of Care (COC);

WHEREAS, the County acknowledges compliance with all state and federal public participation requirements in the development of its application;

WHEREAS, the County hereby authorizes and directs the Director or Assistant Director of Social Services, to sign and deliver the application and act on the County's behalf in all matters pertaining to the HHAP-5 application;

WHEREAS, if an application is approved, the Director or Assistant Director of Social Services, is authorized to sign and execute the funding agreement and all subsequent amendments thereto with the State of California for the purposes of the HHAP-5 funds; and

WHEREAS, County Counsel will review and approve the standard state funding agreement, as well as any future amendments, as to form before the Department signs and returns the agreement to the California Interagency Council.

NOW, THEREFORE, BE IT RESOLVED, the Board of Supervisors of the County of Monterey hereby:

a. Approve and authorize the Director or Assistant Director of Social Services to sign and submit an application for $2,555,064.19 for funding from the California Interagency Council on Homelessness, Homeless Housing, Assistance and Prevention Program Round Five (HHAP-5);
b. Approve and authorize the Director or Assistant Director of Social Services to execute the state funding agreement, with the California Interagency Council for HHAP-5 for a term ending June 30, 2028, for an amount estimated at $2,555,064.19;
c. Approve and authorize the Director or Assistant Director of Social Services to sign all future HHAP-5 funding amendments on behalf of the County for continued funding from the California Interagency Council for a term ending June 30, 2028; and
d. Approve and authorize the Director or Assistant Director of Social Services to sign an execute a Memorandum of Understanding with San Benito County and the Coalition of Homeless Services Providers on the partners' key action plans/timeframes included in the regional grant submission.

PASSED AND ADOPTED on this 19th day of March 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting on March 19, 2024.

Dated: March 20, 2024
File ID: RES 24-046
Agenda Item No. 25

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN COUNTY OF MONTEREY, SAN BENITO COUNTY, AND THE COALITION OF HOMELESS SERVICES PROVIDERS (CHSP)

March 27, 2024

I. RECITALS

WHEREAS the County of Monterey is responsible for a range of activities relating to homelessness response within the county, managed through the County Administrative Office, Department of Social Services, Health Department, Behavioral Health Bureau, and Department of Housing and Community Development; and

WHEREAS San Benito County is responsible for a range of activities relating to homelessness response within the county, managed through the Health and Human Services Agency (HHSA); and

WHEREAS the Coalition of Homeless Services Providers (CHSP) is the lead entity responsible for coordinating the regional Continuum of Care (CoC) for Monterey and San Benito Counties (CA-506) and for convening the CoC Leadership Board and subcommittees; and

WHEREAS the CoC, County of Monterey, and San Benito County ("eligible applicants") are each recipient of Homeless Housing, Assistance and Prevention (HHAP) funding from the State of California; requiring the creation of an MOU between the three eligible applicants (as per State Assembly Bill 129); and

WHEREAS all eligible applicants adopted the Lead Me Home 5-Year Plan to Reduce Homelessness in Monterey and San Benito Counties (July 2021 to June 2026); and

WHEREAS the eligible applicants recognize that each entity has distinct responsibilities for addressing homelessness but also many overlapping and shared responsibilities; and

WHEREAS the eligible applicants recognize that each entity receives and manages distinct funding sources that together support the strategies identified in the Lead Me Home Plan;

NOW IN CONSIDERATION OF THESE PREMISES, THE PARTIES AGREE AS FOLLOWS:

II. PURPOSE

The purpose of this MOU is to commit each signatory to uphold, participate in, and comply with the actions, roles, and responsibilities of each of the eligible applicants in the region as described in the HHAP-5 Regionally Coordinated Homelessness Action Plan and summarized below.

III. ROLES AND RESPONSIBILITIES OF THE MONTEREY AND SAN BENITO COUNTY CONTINUUM OF CARE (CA-506)

A. The signatories commit to the roles and responsibilities of each eligible applicant within the region as they pertain to outreach and site coordination, siting and use of available public land, the development of interim and permanent housing options, and coordinating, connecting, and delivering services to individuals experiencing homelessness or at risk of experiencing homelessness,

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within the region, as described in Section 2.1 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

B. The signatories commit to the Key Actions each eligible applicant will take to improve the system performance measures as described in Section 2.2 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

C. The signatories commit to the Key Actions each eligible applicant will take to ensure racial and gender equity in service delivery, housing placements, housing retention, and any other means to affirm equitable access to housing and services for racial and ethnic groups overrepresented among residents experiencing homelessness, as described in Section 2.3 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

D. The signatories commit to the actions each eligible applicant will take to reduce homelessness among individuals exiting institutional settings, including but not limited to jails, prisons, hospitals, and any other institutions such as foster care, behavioral health facilities, etc. as applicable in the region, as described in Section 2.4 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

E. The signatories commit to the roles of each eligible applicant in the utilization of local, state, and federal funding programs to end homelessness, as described in Section 2.5 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

F. The signatories commit to the roles and responsibilities of each eligible applicant to connect individuals to wrap-around services from all eligible federal, state, and local benefit programs, as described in Section 2.6 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

IV. DURATION AND RENEWAL

The initial term of this MOU is March 27, 2024 to June 30, 2028. Except as provided in the TERMINATION section, this MOU shall renew automatically unless either party gives notification pursuant to TERMINATION section.

V. AMENDMENT/NOTICES

The MOU may be amended in writing by any of the signatories and is in effect upon the signature of all three eligible applicants. Notices shall be mailed, emailed, or delivered to HHAP administrators for eligible entities for:

1. CA-506 Salinas/Monterey, San Benito Counties Continuum of Care
2. County of Monterey
3. San Benito County

VI. TERMINATION

Any of the signatories may terminate this MOU at a date prior to the renewal date specified in the MOU by giving 120 days written notice to the other parties. The termination shall be effective on the date specified in the notice of termination.

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APPROVED:

County of San Benito

DocuSigned by:
By: Tracey Belton
6AEA5E7EDF0F41E...
Tracey Belton, Director or HHSA

Date: 3/20/2024 | 2:11 PM PDT

APPROVED:

County of Monterey

DocuSigned by:
By: Lori A. Medina
DF0279504487 49D...
Lori A. Medina, Director of DSS

Date: 3/25/2024 | 12:24 PM PDT

Coalition of Homeless Service Providers

DocuSigned by:
By: Katrina Mckenzie
37A6ED8488E34AC...
Katrina McKenzie, Executive Director

Date: 3/18/2024 | 9:35 AM PDT

APPROVED AS TO LEGAL FORM:
Irma Valencia, San Benito County Deputy Counsel

DocuSigned by:
By: Irma Valencia
EB0FDEFEC79E4C0...

Date: 3/18/2024 | 10:18 AM PDT

APPROVED AS TO LEGAL FORM:
County of Monterey Deputy Counsel

DocuSigned by:
By:
07025F3AA36B4A4...

Date: 3/6/2024 | 11:40 PM PST

Introduced: 8/12/2025

Current Status: Housing & Community Development - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve and authorize the Housing and Community Development (HCD) Director to execute the Grant and Purchase of Easements and Escrow Instructions Agreement (Agreement) between the County of Monterey and Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest, and Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest, for the conveyance of a permanent easement and temporary construction easement across a portion of Assessor's Parcel Number (APN) 243-071-008 for the construction and maintenance of improvements and appurtenances related to the Carmel River Floodplain Restoration and Environmental Enhancement (CRFREE) Project; and
b. Authorize the Director of Housing and Community Development to execute any related documents needed to complete the transaction, including, but not limited to, any future amendments to the Easement Agreement subject to review and approval as to form by the Office of the County Counsel.

PRIOR CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) ACTION:
Approval of contracts is not a Project under CEQA. The Environmental Impact Report (EIR) for the CRFREE Project was certified by the Board of Supervisors on January 20, 2020. The CRFREE Project was approved, and the corresponding Mitigation Monitoring and Reporting Program (MMRP) was adopted by the Board of Supervisors on June 15, 2021.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Approve and authorize the Housing and Community Development (HCD) Director to execute the Grant and Purchase of Easements and Escrow Instructions Agreement (Agreement) between the County of Monterey and Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest, and Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest, for the conveyance of a permanent easement and temporary construction easement across a portion of Assessor's Parcel Number (APN) 243-071-008 for the construction and maintenance of improvements and appurtenances related to the Carmel River Floodplain Restoration and Environmental Enhancement (CRFREE) Project;
b. Authorize the Director of Housing and Community Development to execute any related documents needed to complete the transaction, including, but not limited to, any future amendments to the Easement Agreement subject to review and approval as to form by the Office of the County Counsel.

SUMMARY/DISCUSSION:

The Carmel River Floodplain Restoration and Environmental Enhancement Project (CRFREE Project) is a comprehensive effort to improve flood control and restore native riparian habitat, floodplain habitat, and hydrologic function to a portion of the lower floodplain along the Carmel River. Key aspects of the CRFREE Project are to; 1) Create notches in the levees along the south bank of the lower Carmel River, 2) Restore the south lower Carmel River floodplain, and 3) Build a causeway along Highway 1, restoring connectivity between the lower Carmel River Floodplain and the south arm of Carmel Lagoon. A temporary construction easement (TCE) and a permanent access easement (PAE) are necessary across private land on a portion of Assessor's Parcel Number (APN) 243-071-008 (the "Parcel) owned by Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest, and Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest ("the Eastwoods") (Attachment A). The TCE will allow access for the construction of the CRFREE floodplain on the east side of State Route 1, and the PAE will allow for Big Sur Land Trust (BSLT) to access and operate on their land during flood events. The TCE and PAE were appraised at a combined value of $99,200 in 2024.

On August 27, 2024, the Board of Supervisors approved the execution of the Grant and Purchase of Easements and Escrow Instructions Agreement (Easement Agreement) contingent upon funding by the Federal Emergency Management Agency (FEMA) Hazard Mitigation grant funding (FEMA grant) (Attachment B). The action on August 27, 2024, specified that the easement was intended to be funded from the Department of Water Resources (DWR) Coastal Watershed Flood Risk Reduction grant (DWR - CWFRR Grant), executed April 26, 2022, and contingent upon Federal funds as a match. At the suggestion of DWR grant management staff, two grant amendments have been processed for both respective DWR grants to move funds between DWR grant tasks and better delineate the expenses to be charged to each grant. DWR staff suggest that the appraised value of the TCE and PAE be funded from the DWR Flood Corridor grant SAP 4600010665 (DWR FC grant) Task 3: Property Acquisition, instead of the CWFRR grant Task 2: Acquisition, Title and Escrow (Attachment C).

Staff are bringing this action before the Board for approval to fund the TCE and PAE easement purchase with different source grant funds, at the request of DWR grant manager staff due to the continued delay of the FEMA grant funds, and the need to finalize the easement agreements with the Eastwoods ahead of the ready to list determination by Caltrans. A ready to list determination by Caltrans is a key step which is necessary prior to the CRFREE Project going to bid. Attachment D is a broad construction schedule for CRFREE. The term of the TCE is for a four-year period, which begins upon execution of the TCE agreement. This term may be extended by written permission of the landowners but may require further compensation. Based on the anticipated construction schedule for the CRFREE Project, the TCE will be utilized in years 2 and 3 of the TCE term, and the fourth year will only be necessary if the construction is delayed further (Attachment D).

Approval of this action will allow the County to sign the Agreement and record the necessary TCE and PAE easements for the CRFREE project construction and maintenance on the Parcel with approval as to form by the Office of the County Counsel.

OTHER AGENCY INVOLVEMENT:
Big Sur Land Trust (BSLT) is co-sponsor for the CRFREE Project. Through a cooperative

agreement with Caltrans, the County of Monterey is acting as the Lead Agency under the California Environmental Quality Act (CEQA) for the Project. The Public Works, Facilities and Parks Real Property Section assisted with the development of the Grant and Purchase of Easements and Escrow Instructions Agreement and respective TCE and PAE easement documents.

ENVIRONMENTAL REVIEW

The Project Environmental Impact Report (EIR) was certified by the Board of Supervisors during a public hearing on January 20, 2020. The U.S. Fish and Wildlife Service (USFWS), as lead federal agency for the floodplain restoration portion of the CRFREE Project issued a finding of no significant impact (FONSI) on October 30, 2020. The Project was approved, and the corresponding Mitigation Monitoring and Reporting Program (MMRP) was adopted by the Board of Supervisors on June 15, 2021. Federal environmental review was completed on April 23, 2021, when Caltrans, as the lead federal agency for the causeway portion of the Project, issued a FONSI consistent with the USFWS. The Federal Emergency Management Agency (FEMA) internal environmental review process has been ongoing since 2023. The FEMA Environmental Assessment was circulated for public review in May 2025. The issuance of a FONSI from FEMA is still pending.

FINANCING:

The DWR FC grant for $5 million was approved by DWR in 2014. It has been amended four times and $3.7 million remains. The required match of $500,000 was met in 2014. 10% retention is retained by DWR and will be released upon completion of the grant deliverables. The DWR - CWFRR Grant is for $5.1 million, and no funds have been expended at this time. The funds that were allocated towards the land acquisition have been reassigned to task 7: construction support and monitoring. The DWR - CWFRR Grant requires a federal match and will be utilized when federal grant funds are available pursuant to a funding agreement through the pending FEMA grant or through FY24 Federal surplus funds (also pending via Caltrans).

Funding for the CRFREE Project comes from State, Federal and local grants and funds. Local funding includes funding from the Monterey Peninsula Regional Parks District (MPRPD) fair share contribution for a left-hand turn lane on State Highway 1. Based on the December 2023 95% Design Engineers estimate escalated to 2027 construction costs, CRFREE is estimated to cost approximately $56.5 million to complete the final design, construction, and restoration efforts, including utility relocation, construction management and soft costs (Attachment E). The Project responsibility for cost of utility relocation and contribution from utility companies is estimated and will be better determined later this year. The County and Big Sur Land Trust have currently been awarded $28.5 million in unexpended grant funds for the Project pre-construction, construction, and monitoring, with an additional $30 million pending award, the bulk of which is expected from CalOES/FEMA (Attachment D). The CRFREE Project is budgeted in Capital Project Fund 404, Unit 8564 with $14.6 million budgeted in the FY25-26 Adopted Budget.

Prepared by: Shandy Carroll, HCD Management Analyst III, (831) 784 5643
Approved by: Melanie Beretti, AICP, Chief of Planning
Approved by: Craig Spencer, HCD Director

The following attachments are on file with the Clerk of the Board:
Attachment A - Grant and Purchase of Easements and Escrow Instructions Agreement
Attachment B - Previous approval Board Order
Attachment C - DWR Grant tasks
Attachment D - CRFREE timeline
Attachment E - CRFREE Grant Funding

Introduced: 8/12/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** BoS Agreement

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OTHER AGENCY INVOLVEMENT:
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Prepared by: Shandy Carroll, HCD Management Analyst III, (831) 784 5643
Approved by: Melanie Beretti, AICP, Chief of Planning
Approved by: Craig Spencer, HCD Director

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Attachment A

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Project: Carmel River Free (CRFREE) Project
Parcels: APN 243-071-008

GRANT AND PURCHASE OF EASEMENTS
AND ESCROW INSTRUCTIONS AGREEMENT

Chicago Title Company
250 Bonifacio Place
Monterey, CA 93940

("Escrow Holder")

This Agreement for Grant and Purchase of Easement and Escrow Instructions ("Agreement") is entered into as of the last date opposite the respective signatures below ("Effective Date") by and between Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest, and Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest ("Grantor") and the County of Monterey, a political subdivision of the State of California ("County"), and Big Sur Land Trust ("BSLT") a California nonprofit public benefit corporation which is a private nonprofit organization pursuant to Internal Revenue Code section 501(c)(3) or section 23701(d) of the California Revenue and Taxation Code, (collectively, "Grantees"). The County, BSLT, and the Grantor are sometimes referred to herein individually as a "party" and collectively as "parties."

Recitals

A. County desires to purchase a permanent easement, and temporary construction easement over a portion of Grantor's real property, currently identified as Assessor's Parcel Number 243-071-008 ("Parcel"), in connection with Carmel River Floodplain Restoration and Environmental Enhancement ("CRFREE") Project, a comprehensive effort to improve flood control and restore native riparian habitat, floodplain habitat, and hydrologic function to a portion of the lower floodplain along the Carmel River.

B. Grantees have determined that the most suitable location for the project includes a portion of the Parcel. Grantor is prepared to grant a Permanent Access Easement Deed ("PAE"), to be conveyed directly to BSLT as part of the CRFREE Project long term management requirement, and a Temporary Construction Easement Deed ("TCE"), to be conveyed directly to the County to allow construction to commence (collectively, "Easements" or "Easement Area"), respectively.

C. It is understood and agreed by and between the parties hereto that the property described in the PAE, will be conveyed directly from Grantor to BSLT as a part of this transaction, and that the TCE will be conveyed directly from Grantor to County as part of this transaction.

Now, therefore, in consideration of the foregoing and the mutual covenants, agreements, representations, and warranties contained in this Agreement, the parties hereto agree as follows:

1.0 AGREEMENT TO PURCHASE AND SELL

1.01 The recitals set forth in the foregoing are hereby incorporated into this Agreement.

1.02. Grantor hereby agrees to grant to the Grantees, and the Grantees hereby agree to accept from Grantor, the Easements, located in the County of Monterey, California, as set forth in the PAE and TCE substantially in the form and content as set forth in Exhibit "1" and Exhibit "2", respectively, attached hereto and incorporated by this reference, providing for (1) an easement for BSLT to operate and maintain the easement, as described and set forth in the PAE; and (2) County's temporary use of the Parcel in connection with construction of the CRFREE project, as described and set forth in the TCE.

1.03. The parties to this Agreement shall, pursuant to Section 21.7(a) of Title 49, Code of Federal Regulations, comply with all elements of Title VI of the Civil Rights Act of 1964. This requirement under Title VI and the Code of Federal Regulations is to complete the USDOT-Non-Discrimination Assurance requiring compliance with Title VI of the Civil Rights Act of 164, 49 C.F.R Parts 21 and 28 C.F.R. Section 50.3.

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

2. DELIVERY OF DOCUMENT

The Easements will be executed and delivered by Grantor at Closing, as defined in Section 8 hereof, to Chicago Title Company, Monterey, California, as escrow holder ("Escrow Holder") for the parties for the purpose of granting the Easements to the Grantees.

3. PURCHASE PRICE

The full purchase price for items (1) and (2) described above in subsection 1.02 (i.e., the Easements), to be paid by the County is Ninety-nine Thousand Two Hundred and 00/100 Dollars ($99,200) (the "Purchase Price"). The Purchase Price will be paid by County to Grantor, at the Grantor's option, by cashier's or certified check or by wire transfer of immediately available funds at the time of Closing.

4. TITLE

4.01 At Closing, Grantor will deliver title to the Easements to the Grantees, and said title shall be subject only to those restrictions and reservations set forth in the Easements, this Agreement, and the exceptions shown in a preliminary title report for the Parcel containing

Easements dated as of the execution of this Agreement, as provided by Chicago Title Company ("Title Company") or disclosed in any visual inspection of said Parcel by Title Company.

4.02 The County shall pay and be solely responsible for all closing costs and related escrow fees.

4.03 No recording fees will be payable with respect to the recording of the Easements, pursuant to Government Code Section 27383.

4.04 The parties acknowledge that because the County is a public entity, and the BSLT is a private nonprofit organization pursuant to Internal Revenue Service Code section 501(c)(3) or section 23701(d) of the California Revenue and Taxation Code the easement interest granted in and to the Easements will not be subject to real property taxation.

5. DISCLOSURES AND ACKNOWLEDGMENTS

5.01 Grantor is granting the Easements "AS IS," with all faults, but represents and warrants to the Grantees as follows:

(a) Grantor has full power and authority to grant the Easements as provided in this Agreement, and this Agreement is binding and enforceable against Grantor.

(b) To Grantor's actual knowledge Grantor has not caused any Hazardous Materials to be placed or disposed of on or at the Easement Area or any part thereof in any manner or quantity which would constitute a violation of Environmental Law as defined in subsection 5.01 (b)(ii), nor has Grantor received any written notice or any information of any nature which imparted notice that such Easement Area is in violation of Environmental Law. As noted herein:

(i) The term "Hazardous Materials" means "hazardous waste," "hazardous substance," "extremely hazardous waste," or "restricted hazardous waste" under any provision of California law; petroleum; asbestos; polychlorinated biphenyl; radioactive material; designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33. U.S.C. Sec. 1251 *et seq.* (33 U.S.C. Sec 1317); defined as a "hazardous waste pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6901 *et seq.* (42 U.S.C. Sec. 6903; or defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Sec. 9601 *et seq.* (42 U.S.C. Sec. 9601); and

(ii) the term "Environmental Laws" shall mean all statutes specifically described in the definition of "Hazardous Materials" and associated federal, state or local laws, regulations or orders relating to or imposing liability or standards of conduct concerning any Hazardous Material.

5.02 Except as expressly set forth in this Agreement, the Grantees are relying upon no warranties, express or implied, oral or written, from Grantor regarding the Easement Area and, upon Closing, the Grantees will have accepted said Easement Area as-is, with all faults. The Grantees, each as to their respective organization, represent and warrant to Grantor as follows:

(a) Neither the execution and delivery of this Agreement by the Grantees nor the consummation of the transaction contemplated hereby will result in any breach or violation or of default under any judgment, decree, order, mortgage, lease, agreement, indenture or other instrument to which the Grantees are a party.

(b) The Grantees have full power and authority to execute this Agreement and acquire the Easements as provided for in this Agreement, and this Agreement is binding and enforceable against the Grantees.

5.03 The Grantees acknowledge and agree that, except as otherwise specifically provided herein, Grantor has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to any of the following:

(i) Value.

(ii) Income to be derived from the Easements.

(iii) The nature, quality or condition of the Parcel, including without limitation, the water, soil and geology.

(iv) Grantor's and/or the Parcel's compliance with any laws, rules, ordinances or regulations of any applicable governmental authority or body.

(v) Compliance with any environmental protection, pollution or land use laws, rules, regulations, orders or requirements, including but not limited to, California Health and Safety Code, the Federal Water Pollution Control Act, the Federal Resource Conservation and Recovery Act, The U.S. Environmental Protection Agency regulations at 40 C.F.R., part 261, the Comprehensive Environmental Response Conservation and Recovery Act of 1976, the Clean Water Act, the Safe Drinking Water Act, the Hazardous Materials Transportation Act, the Toxic Substance Control Act, and regulations promulgated under any of the forgoing.

(vi) The presence or absence of hazardous materials at, on, under, or adjacent to said Easement Area.

(vii) The content, completeness or accuracy of any due diligence materials delivered by Grantor to the Grantees or preliminary report regarding title to the Parcel.

5.04 The Grantees further acknowledges and agrees that it has or will have been given the opportunity to inspect the Easement Area and review information and documentation affecting said Easement Area, and that, except for Grantor's express representations and warranties contained herein, the Grantees are relying solely on their own investigation of said property and review of such information and documentation, and not on any information provided or to be provided by Grantor. The Grantees further acknowledge and agree that any information made available by the Grantors or provided or to be provided by or on behalf of Grantor with respect to said Easement Area was obtained from a variety of sources and that Grantor has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information. The Grantees agree to fully and irrevocably release all such sources of information and the preparers of information and documentation affecting said Easement Area retained by Grantor from any and all claims that they may now have or hereafter acquire against such sources and preparers of information for any costs, loss, liability, damage, expense, demand, action or cause of action arising from such information or documentation. Except for Grantor's express representations and warranties contained in subsection 5.01 above, Grantor is not liable or bound in any manner by any oral or written statements, representations or information pertaining to said Easement Area, or the operation thereof, furnished by any real estate broker, agent, employee, servant, or other person. The Grantees further acknowledge and agree that to the maximum extent permitted by law, except for Grantor's express representations and warranties contained in subsection 5.01 above, the grant and purchase of the Easements as provided for herein is made on an "AS IS" condition and basis with all faults, and that Grantor has no obligation to make repairs, replacements, or improvements except as may otherwise be expressly stated herein.

6. UTILITIES

6.01 The Grantor shall make available to the Grantees maps in its possession showing the location of sewer, water, electrical, gas and telephone and any other utility lines located adjacent to or near the Easement Area. Notwithstanding the foregoing, the Grantees shall be solely responsible for identifying and protecting all underground utilities and arranging for the delivery and paying for all utilities required on said Easement Area. The Grantees shall be responsible to provide and pay for utility connection equipment, meters and any fees required. The Grantor cannot and does not guarantee that there will be no interruption of service to utility services delivered over the Parcel and the Grantees hereby waive any rights or claims it may have resulting from temporary interruptions of service. To the extent it has knowledge, Grantor will provide notice of any work scheduled which may interrupt the utility service to said Parcel. Prior to any scheduled interruption of the utility services delivered to the Parcel by the Grantees as a result of the Grantees' use of the Easement Area, the Grantees shall provide Grantor an advance written notice a minimum of five (5) business days prior to the scheduled utility service interruption.

6.02 It shall be the responsibility of the Grantees to contact, consult and comply with any regulation applicable to the Grantees' use of the Easement Area which are now or may be

promulgated by a local public agency or private utility provider or regulator having jurisdiction over activities or utility services, including, but not limited to the County of Monterey, Regional Water Quality Control Board, State Water Resources Control Board, Monterey Bay Unified Air Pollution Control District, and Pacific Gas & Electric Company.

7. OTHER USE OF PROPERTY BY GRANTEES

7.01 The Grantees shall not use or knowingly allow others to use the Easement Area in a manner inconsistent with the description of use and activity in this Agreement, the PAE and the TCE. Any other use of, or activity on, the Parcel by the Grantees is prohibited. This Agreement authorizes Grantor to enforce these covenants in the manner described herein. The Grantees shall restore the condition of the Easement Area prior to the end of the term of the TCE. However, unless otherwise specified, nothing in this Agreement shall require the Grantees to take any action to restore the condition of the Easement Area after any Act of God or other event over which it has no control.

7.02 Where the Grantees are required to obtain Grantor's permission or approval for the use of the Easement Area consistent with the PAE and TCE, said permission or approval (i) shall not be unreasonably delayed or withheld by Grantor, (ii) shall be sought and given in writing, and (iii) shall in all cases be obtained by the Grantees prior to Grantees taking any such action.

8. CLOSING

8.01 Closing Date. The consummation of the grant and purchase of the Easements will be held at the offices of the Title Company, on or before 30 days after the Effective Date of this Agreement, or later if agreed to in writing by the parties. The performance by parties of their respective obligations under this Agreement directly or through the completion of Escrow deposits required of them to be made, delivery of the Purchase Price to Grantor by Escrow Holder after recording of the Easements upon title insurer's commitment to issue title policy to the Grantees and delivery of possession of the Easement Area to the Grantees shall constitute the closing of the grant and purchase ("Closing").

8.02 Grantor's Deposits into Escrow. Prior to Closing, Grantor must deposit all the following documents and items into Escrow:

(i) Duly executed PAE in the form attached as Exhibit 1.

(ii) Duly executed TCE in the form attached as Exhibit 2.

(ii) An affidavit substantially in the form attached as Exhibit 3 (Non-Foreign Certificate) stating that Grantor is not a "foreign person under IRC Section 1445(f)(3).

(iii) Such other documents as may reasonably be required to complete the Closing, including a document certifying to Escrow Holder that all acts or legal conditions precedent necessary to be taken or performed by Grantor to authorize execution of the documents have been taken or performed.

8.03 The County's Deposits into Escrow. Prior to Closing, the County must deposit all the following into escrow:

(i) A bank cashier's or certified check, or wire transfer, to Grantor in an amount equal to the Purchase Price.

(ii) The County's obligation for closing costs as described in subsection 4.02.

(iii) Duly executed PAE and TCE which shall also be signed by Grantor as provided in subsection 8.02(i) above.

(iv) Such other documents as may reasonably be required to complete the Closing, including a document certifying to the Escrow Holder that all acts or legal conditions precedent necessary to be taken or performed by the Grantees to authorize execution of the documents have been taken or performed.

8.04 Pro-ration of Taxes. All real and personal property *ad valorem* taxes and special assessments, if any, will be prorated to the Closing Date, based on the latest available tax rate and assessed valuation.

8.05 Closing Costs. County shall pay costs incurred in this transaction, pursuant to this Agreement, as provided in subsection 4.02 hereof.

8.06 Closing. Pursuant to Section 4 hereof, Title Company shall close Escrow by doing all of the following:

(i) Recording the PAE and TCE in the Official Records of Monterey County.

(ii) Delivering to Grantor the amount due Grantor as shown on the closing statement for the Escrow consistent with this Agreement and satisfactory to Grantor and the Grantees ("Closing Statement") and a signed original of Grantor's Closing Statement.

(iii) Delivering to the County a signed original of the County's' Closing Statement and any refund due to the County.

8.07 Possession. Grantor shall provide and deliver access and possession of the Easement Area to the Grantees on the Closing Date.

9. REPRESENTATIONS AND WARRANTIES

9.01 Representations and Warranties of Grantor. Grantor represents and warrants to the Grantees as of the date of this Agreement and the Closing Date, as follows:

(i) Organization, Qualification and Corporate Power. Grantor has the full power and authority to enter into and perform this Agreement and the execution, delivery and performance of this Agreement by Grantor has or will be duly and validly authorized by all necessary action on the part of Grantor. This Agreement is a legal, valid and binding obligation of Grantor enforceable in accordance with its terms.

9.02 Representations and Warranties of the Grantees. The Grantees represent and warrant to Grantor as of the date of this Agreement and the Closing Date, as follows:

(i) Authority. This Agreement and all documents executed by the Grantees which are to be delivered to Grantor at the Closing are, or at the time of Closing will be, duly authorized, executed and delivered by the Grantees, and are, or at the Closing will be, legal, valid, and binding obligations of the Grantees, and do not, and at the time of Closing will not, violate any provisions of any agreements to which the Grantees is a party or to which it is subject of any law, judgment or order applicable to the Grantees.

10. ATTORNEY'S FEES

This section is intentionally left blank.

11. GOVERNING LAW

This Agreement is entered into and shall be governed and construed in accordance with the laws of the State of California. Any action to enforce this Agreement shall be filed with the Superior Court of the County of Monterey.

12. WAIVER OF DEFAULT

Any waiver by either party of a default of this Agreement arising out of the breach of any of the covenants, conditions, or restrictions of this Agreement shall not be construed or held to be a waiver of any succeeding or preceding default arising out of a breach of the same or any other covenant, condition, or restriction of this Agreement.

13. COUNTERPARTS

This Agreement may be signed in any number of counterparts with the same effect as if the signatures to each counterpart were upon a single instrument and is intended to be binding when each party has delivered signatures to the other party. Signatures may be delivered by facsimile transmission. All counterparts shall be deemed an original of this Agreement.

14. NOTICE

All notices, demands, requests, or other communications that may be or are required to be given, served, or sent by one party to the other party pursuant to this Agreement shall be in writing and shall be delivered in person, mailed by registered or certified mail, return receipt requested, or delivered by a commercial courier guaranteeing overnight delivery, addressed as follows:

If to Grantor: Fenton & Keller
Attn: Derric G. Oliver, Esq.
P.O. Box 791
Monterey, CA 93942-0791
(831) 373-1241; doliver@fentonkeller.com

If to County: County of Monterey
Public Works, Facilities and Parks
c/o Real Property Specialist
1441 Schilling Place, South Bldg.,2nd Floor
Salinas, California 93901
Phone: 831-755-4859
Email: salcidog@co.monterey.ca.us

If to BSLT: Big Sur Land Trust
Attn: Rachel Saunders, Director of Conservation
509 Hartnell Street,
Monterey, CA 93940
Phone: 831-625-5523 x109
Email: rsaunders@bigsurlandtrust.org

15. SUCCESSORS AND ASSIGNS

This Agreement and the rights, interests, and obligations hereunder shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

16. AMENDMENT OR MODIFICATION

This Agreement may be amended, altered or modified only by a writing specifying such amendment, alteration or modification, executed by authorized representatives of the parties hereto.

17. COVENANT AND CONDITION

Each term and condition of this Agreement performable by the parties to this Agreement shall be construed to be both a covenant and condition.

18. TIME

Time is and shall be of the essence for each term and provision of this Agreement.

19. FURTHER ACTIONS

Each of the parties agrees to execute and deliver to the other all such documents and instruments, and to take such actions, as may reasonably be required to give effect to the terms and conditions of this Agreement.

20. INTERPRETATION

This Agreement has been negotiated by and between the representatives of both parties. Accordingly, any rule of law (including California Civil Code, Section 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the purposes and intent of the parties as indicated in the recitals to this Agreement.

21. CAPTIONS

Titles or captions of sections and subsections contained in this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision of it.

22. SEVERABILITY

If any of the provisions of this Agreement are determined to be invalid or unenforceable, those provisions shall be deemed severable from the remainder of this Agreement and shall not cause the invalidity or unenforceability of the remainder of this Agreement.

23. BUSINESS DAYS

Except as may otherwise be provided in this Agreement, if any date specified herein for commencement or expiration of time periods occurs on a day other than a Business Day (defined as any day other than a Saturday, Sunday or holiday observed by national banks), then such date shall be postponed to the following Business Day.

24. CONSENT TO USE OF ELECTRONIC SIGNATURES

The parties to this Amendment consent to the use of electronic signatures via DocuSign to execute this Amendment. The parties understand and agree that the legality of electronic

signatures is governed by state and federal law, 15 U.S.C Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 et. seq. Pursuant to said state and federal law as may be amended from time to time, the parties to this Amendment hereby authenticate and execute this Amendment and any and all Exhibits to this Amendment, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF) which may be delivered by mail, E-Mail, or Facsimile.

25. ENTIRE AGREEMENT

This Agreement embodies the entire understanding of the parties and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof except as may be set forth in writing executed by both parties contemporaneously with, or subsequent to this Agreement. The performance of this Agreement constitutes the entire consideration for the easement interest described herein.

Signature Pages Below

In witness whereof, the parties have executed this Agreement as of the last date opposite the respective signatures below.

GRANTOR:
Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest

By: _____
Clinton Eastwood

Date: July 23, 2024

Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest

By: Margaret Eastwood
Margaret Eastwood, Trustee

Date: 8-1-2024

GRANTEE(s)

BIG SUR LAND TRUST
Big Sur Land Trust, a California nonprofit public benefit corporation

By: _____
Jeannette Tuitele-Lewis
President/CEO
Big Sur Land Trust

Date:_____

COUNTY
County of Monterey, a political subdivision of the State of California
Housing & Community Development

By: _____
Craig Spencer, Director

Date: _____

Approved as to Form:
Name: _____

Office of the County Counsel
Susan K. Blitch, County Counsel

By: _____
Mary Grace Perry
Deputy County Counsel

Date: _____

Approved as to Fiscal Provisions:
Auditor-Controller's Office
Rupa Shah, Auditor-Controller

By: _____

Name: _____

Title: _____

Date: _____

Exhibit “1”
Draft Permanent Access Easement (“PAE”) Deed

RECORDING REQUESTED BY AND WHEN RECORDED, RETURN TO

Big Sur Land Trust
509 Hartnell St,
Monterey, CA 93940

APN: 243-071-008

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This document is exempt from the payment of a recording fee pursuant to Government Code § 27383 and §6103, and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11922

PERMANENT ACCESS EASEMENT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest, and Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest,** hereinafter collectively called "Grantor", hereby grants to **Big Sur Land Trust, a California nonprofit public benefit corporation**, hereinafter called "Grantee", its successors and assigns, a permanent and perpetual non-exclusive easement with non-exclusive surface rights ("Easement"), regarding the Carmel River Floodplain Restoration and Environmental Enhancement project ("CRFREE") for right of ingress, egress and access purposes over and across Grantor's real property situated in the County of Monterey, State of California, currently identified as Assessor's Parcel Number 243-071-008 ("Parcel"), as said Easement is described in Exhibit "A" and depicted in Exhibit "B", attached hereto and made a part hereof (hereinafter referred to as the "Easement Area"). Use of the Easement extends to Grantee and its agents, employees, contractors, licensees, and invitees in accordance with the terms of this Permanent Access Easement Deed ("Deed").

Grantor further grants to Grantee, its successors and assigns:

A. The non-exclusive right to clear obstructions, trees, bushes and vegetation from the Easement Area as may be required for the safe and proper use, operation, maintenance of the Easement Area.

B. Grantor reserves the right to make use of the Parcel, including the Easement Area, for purposes consistent with Grantee's use and that will not interfere with Grantee's use and full enjoyment of the rights granted herein; provided that Grantor, his/her/its/their heirs, successor or assigns shall not conduct or permit any of the following activity on, upon, or within the Easement Area without the express written consent of Grantee:

(a) erect or construct any building or structure;
(b) install any encroachment or cover any portion;
(c) plant or cultivate trees or plants, bushes or vegetation;
(d) drill or perform underground activity; and

(e) change or alter the existing surface elevation (grade), or any portions thereof.

C. This grant of Easement is expressly conditioned upon Grantee obtaining all regulatory permits or approvals required by the relevant regulatory agencies for the Grantee's use of the Easement Area, and upon Grantee's compliance with all applicable municipal, state and federal laws, rules and regulations.

D. If Grantee fails to commence CRFREE project construction within the Easement Area within four (4) years after the date of the recording of this Deed with the County Recorder, County of Monterey, such failure shall be conclusive evidence of Grantee's abandonment of said Easement and all the rights hereunder shall terminate; provided, however, that in the event of such termination, Grantee shall, upon written request of Grantor, execute and deliver a quitclaim to Grantor for said Easement and Easement Area as a matter of record.

E. Grantee shall repair or agree to pay for damages to the Parcel or Grantor's personal property, if any, caused by Grantee's use of the Easement Area.

F. Grantee agrees to indemnify Grantor, his/her/its/their heirs, successors or assigns, against all damages, expenses, costs and charges, and to save Grantor, his/her/its/their heirs, successors or assigns, harmless from any and all claims for damages by third parties, and all loss and liability caused by the wrongful or negligent act or omission of the Grantee, its agents, employees, contractors, licensees, or invitees.

G. The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto.

Signature Pages Follow

GRANTOR
Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest

By: _____
Clinton Eastwood

Date: July 23, 2024

Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest

By: Margaret Eastwood
Margaret Eastwood, Trustee

Date: 8-1-24

GRANTEE
Big Sur Land Trust,
a California nonprofit public benefit corporation

By: _____

Jeannette Tuitele-Lewis
President/CEO
Big Sur Land Trust

Date: _____

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California
COUNTY OF Monterey

On July 23, 2024, before me Kristie M. Campbell, Notary Public, personally appeared Clinton Eastwood who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Kristie M. Campbell (Seal)
Notary Public

KRISTIE M. CAMPBELL
Notary Public - California
Monterey County
Commission # 2451176
My Comm. Expires Jul 17, 2027

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California
COUNTY OF Monterey

On August 1, 2024, before me Kristie M. Campbell, Notary Public, personally appeared Margaret Eastwood who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Kristie M. Campbell (Seal)
Notary Public

KRISTIE M. CAMPBELL
Notary Public - California
Monterey County
Commission # 2451176
My Comm. Expires Jul 17, 2027

KMC

KRISTIE M. CAMPBELL
Notary Public - California
Monterey County
Commission # 2451176
My Comm. Expires Jul 17, 2027

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF _____

COUNTY OF _____

On _____, before me _____,
Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____ (Seal)
Notary Public

EXHIBIT 'A'
LEGAL DESCRIPTION

Certain real property situate in the County of Monterey, State of California, and being a portion of Adjusted Parcel P as described in the deed recorded January 14, 2016, as Document No. 2016002232 in the Official Records of said County, described as follows:

Beginning at the northeasterly corner of said Parcel; thence

1) South 06°45'10" East, 39.10 feet along the easterly boundary of said parcel; thence departing said boundary

2) Westerly 65.30 feet along the arc of a curve to the left, of which the radius point lies South 01°03'22" East, a radial distance of 860.00 feet, through a central angle of 04°21'02"; thence

3) South 84°35'37" West, 55.43 feet; thence

4) Westerly 207.43 feet along the arc of a tangent curve to the right having a radius of 416.00 feet, through a central angle of 28°34'08" to a point on the northwesterly boundary of said Parcel; thence along said boundary

5) North 69°33'39" East, 37.05 feet; thence

6) North 89°22'20" East, 283.89 feet to the POINT OF BEGINNING.

Containing 12,484 square feet, or 0.29 acres, more or less.

Attached hereto is a plat to accompany legal description, and by this reference made a part hereof.

The bearings contained in this description are based on the California Coordinate System of 1983, Zone 4.

END OF DESCRIPTION

PREPARED BY:
WHITSON ENGINEERS

5/24/2024
RICHARD P. WEBER P.L.S. DATE
L.S. NO. 8002
Job No.: 2172

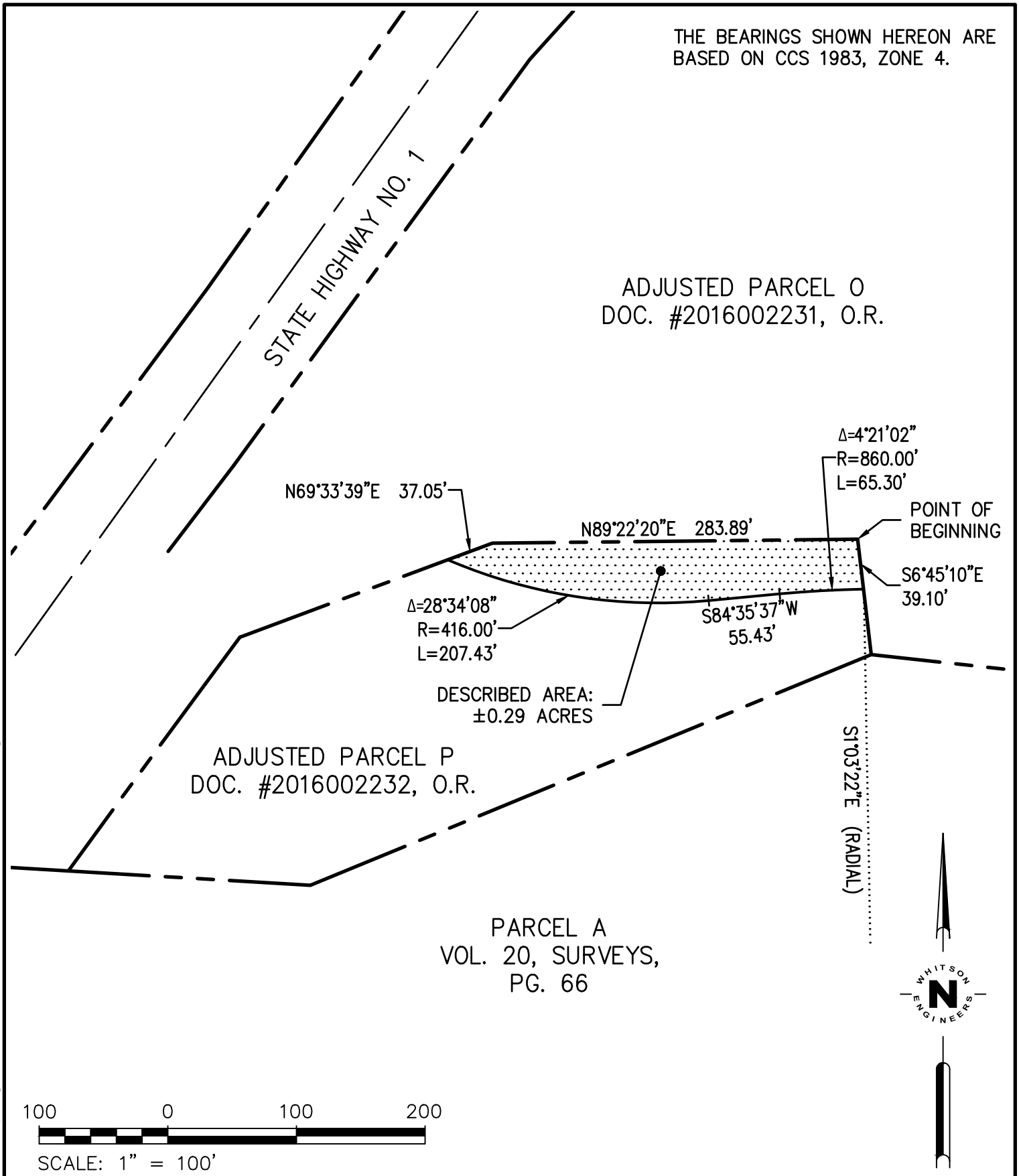

EXHIBIT 'B'
PLAT TO ACCOMPANY DESCRIPTION

MONTEREY COUNTY, CALIFORNIA
MAY 2024

Whitson ENGINEERS
Civil Engineering + Land Surveying
6 Harris Court
Monterey, CA 93940
831.649.5225
whitsonengineers.com

T:\Monterey Projects\2172\Survey\Legal Desc\Phase 2 Easements\Eastwood Esmt Plats.dwg

PROJECT No.: 2172.08

Exhibit “2”
Draft Temporary Construction Easement (“TCE”) Deed

RECORDING REQUESTED BY AND WHEN RECORDED, RETURN TO

Monterey County
Housing and Community Development
1441 Schilling Place, South 2nd Floor
Salinas, CA 93901-4527

APN: 243-071-008

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This document is exempt from the payment of a recording fee pursuant to Government Code § 27383 and §6103, and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11922

TEMPORARY CONSTRUCTION EASEMENT DEED

FOR A VALUABLE CONSIDERATION**,** receipt of which is hereby acknowledged, **Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest, and Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest,** hereinafter collectively called "Grantor", hereby grants to the **County of Monterey, a political subdivision of the State of California**, hereinafter called "Grantee", its successors and assigns, a non-exclusive Temporary Construction Easement (hereinafter referred to as the "TCE"), for construction of the Carmel River Floodplain Restoration and Environmental Enhancement project ("CRFREE"), on, over, under and across Grantor's real property located in the County of Monterey, State of California, currently identified as Assessor's Parcel Number 243-071-008 ("Parcel"), as said TCE is described in Exhibit "A" and depicted in Exhibit "B", attached hereto and made a part hereof (hereinafter referred to as the "TCE Area"). Use of the TCE extends to Grantee and its agents, employees, and contractors in accordance with the terms of this Temporary Construction Easement Deed ("Deed").

Grantor further grants to Grantee, its successors and assigns:

A. The non-exclusive right to clear obstructions, trees, bushes and vegetation from the TCE Area as may be required for the safe and proper use, operation, maintenance of the TCE Area.

B. Grantor reserves the right to make use of the Parcel, including the TCE Area, for purposes consistent with Grantee's use and that will not interfere with Grantee's use and full enjoyment of the rights granted herein; provided that Grantor, his/her/its/their heirs, successor, or assigns shall not conduct or permit any of the following activity on, upon, or within the TCE Area without the express written consent of Grantee:

(a) erect or construct any building or structure;
(b) install any encroachment or cover any portion;
(c) plant or cultivate trees or plants, bushes or vegetation;

(d) drill or perform underground activity; and

(e) change or alter the existing surface elevation (grade), or any portions thereof.

C. Grantor shall permit and allow Grantee, its agents and/or contractors to enter upon the TCE Area on Grantor's Parcel during the TCE Term, as said term is defined in paragraph F herein below. Grantee shall provide to Grantor at least 48 hours' advance written notice before Grantees' entry on the TCE Area.

D. Grantee's access to the TCE Area shall be from Highway 1, and in no case shall Grantee access the TCE Area from the Parcel without Grantor's prior written permission.

E. The term of this TCE shall be four (4) years from commencing as of the date of the recording of this Deed with the County Recorder, County of Monterey ("TCE Term"). The TCE Term may be extended upon written approval from the Grantor.

F. This TCE is expressly conditioned upon Grantee obtaining all regulatory permits or approvals required by the relevant regulatory agencies for the Grantee's use of the TCE Area, and upon Grantee's compliance with all applicable municipal, state and federal laws, rules and regulations.

G. If Grantee fails to commence CRFREE project construction within the TCE Area within four (4) years after the date of the recording of this Deed with the County Recorder, County of Monterey, such failure shall be conclusive evidence of Grantee's abandonment of said TCE and all the rights hereunder shall terminate; provided, however, that in the event of such termination, Grantee shall, upon written request of Grantor, execute and deliver a quitclaim for said TCE and TCE Area as a matter of record.

H. Grantee shall repair or agree to pay for damages to the Parcel or Grantor's personal property, if any, caused by Grantee's use of the TCE Area.

I. Grantee agrees to indemnify Grantor, his/her/its/their heirs, successor or assigns, against all damages, expenses, costs and charges, and to save Grantor, his/her/its/their heirs, successor or assigns, harmless from any and all claims for damages by third parties, and all loss and liability caused by the wrongful or negligent act or omission of the Grantee, its agents, employees, or contractors.

J. The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto.

Signature Pages Follow

GRANTOR
Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest

By: _____
Clinton Eastwood

Date: July 23, 2024

Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest

By: Margaret Eastwood
Margaret Eastwood, Trustee

Date: 8-1-20-24

GRANTEE
County of Monterey,
a political subdivision of the State of California

By: _____
Craig Spencer
Director of Housing and Community Development

Date: _____

APPROVED AS TO FORM:
Office of the County Counsel
Susan K. Blitch, County Counsel

By: _____
Mary Grace Perry
Deputy County Counsel

Date: _____

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California
COUNTY OF Monterey

On July 23, 2024, before me Kristie M. Campbell, Notary Public, personally appeared Clinton Eastwood who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Kristie M. Campbell (Seal)
Notary Public

KRISTIE M. CAMPBELL
Notary Public - California
Monterey County
Commission # 2451176
My Comm. Expires Jul 17, 2027

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California
COUNTY OF Monterey

On August 1, 2024, before me Kristie M. Campbell, Notary Public, personally appeared Margaret Eastwood who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Kristie M. Campbell (Seal)
Notary Public

KMC

KRISTIE M. CAMPBELL
Notary Public - California
Monterey County
Commission # 2451176
My Comm. Expires Jul 17, 2027

KRISTIE M. CAMPBELL
Notary Public - California
Monterey County
Commission # 2451176
My Comm. Expires Jul 17, 2027

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF _____

COUNTY OF _____

On _____, before me _____, Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____ (Seal)
Notary Public

EXHIBIT 'A'
LEGAL DESCRIPTION OF A
TEMPORARY CONSTRUCTION EASEMENT

Certain real property situate in the County of Monterey, State of California, described as follows:

Being a portion of that certain real property described as Adjusted Parcel P in the deed recorded January 14, 2016, as Document Number 2016002232 in the Official Records of said County, described as follows:

Area 1

Commencing at the most westerly corner of said Adjusted Parcel P; thence along the westerly boundary of said Parcel

Northeasterly 35.48 feet along the arc of a curve to the right, of which the radius point lies South 54°03'07" East, a radial distance of 19,870.00 feet, through a central angle of 00°06'08", to the **POINT OF BEGINNING**; thence continuing along said curve and boundary of said Parcel

1) Northeasterly 144.51 feet, through a central angle of 00°25'00"; thence tangentially
2) North 36°28'01" East, 45.40 feet; thence along the northerly boundary of said Parcel
3) North 69°33'39" East, 105.73 feet; thence departing the boundary of said Parcel
4) South 45°33'53" West, 269.38 feet; thence
5) South 85°55'39" West, 19.23 feet to the POINT OF BEGINNING.

Together with a portion of said Adjusted Parcel P:

Area 2

Beginning at the northeasterly corner of said Parcel; thence

6) South 06°45'10" East, 49.15 feet along the easterly boundary of said parcel; thence departing said boundary
7) Westerly 65.54 feet along the arc of a curve to the left, of which the radius point lies South 0°59'20" East, a radial distance of 850.00 feet, through a central angle of 04°25'04"; thence
8) South 84°35'37" West, 55.43 feet; thence
9) Westerly 222.78 feet along the arc of a tangent curve to the right having a radius of 426.00 feet, through a central angle of 29°57'48" to a point on the northwesterly boundary of said Parcel; thence along said boundary
10) North 69°33'39" East, 51.37 feet; thence
11) North 89°22'20" East, 283.89 feet to the POINT OF BEGINNING.

Containing a total of 0.53 acre, more or less.

Attached hereto is a plat to accompany legal description, and by this reference made a part hereof.

The bearings contained in this description are based on the California Coordinate System of 1983, Zone 4.

END OF DESCRIPTION

PREPARED BY:
WHITSON ENGINEERS

5/24/2024
RICHARD P. WEBER P.L.S. DATE
L.S. NO. 8002
Job No.: 2172

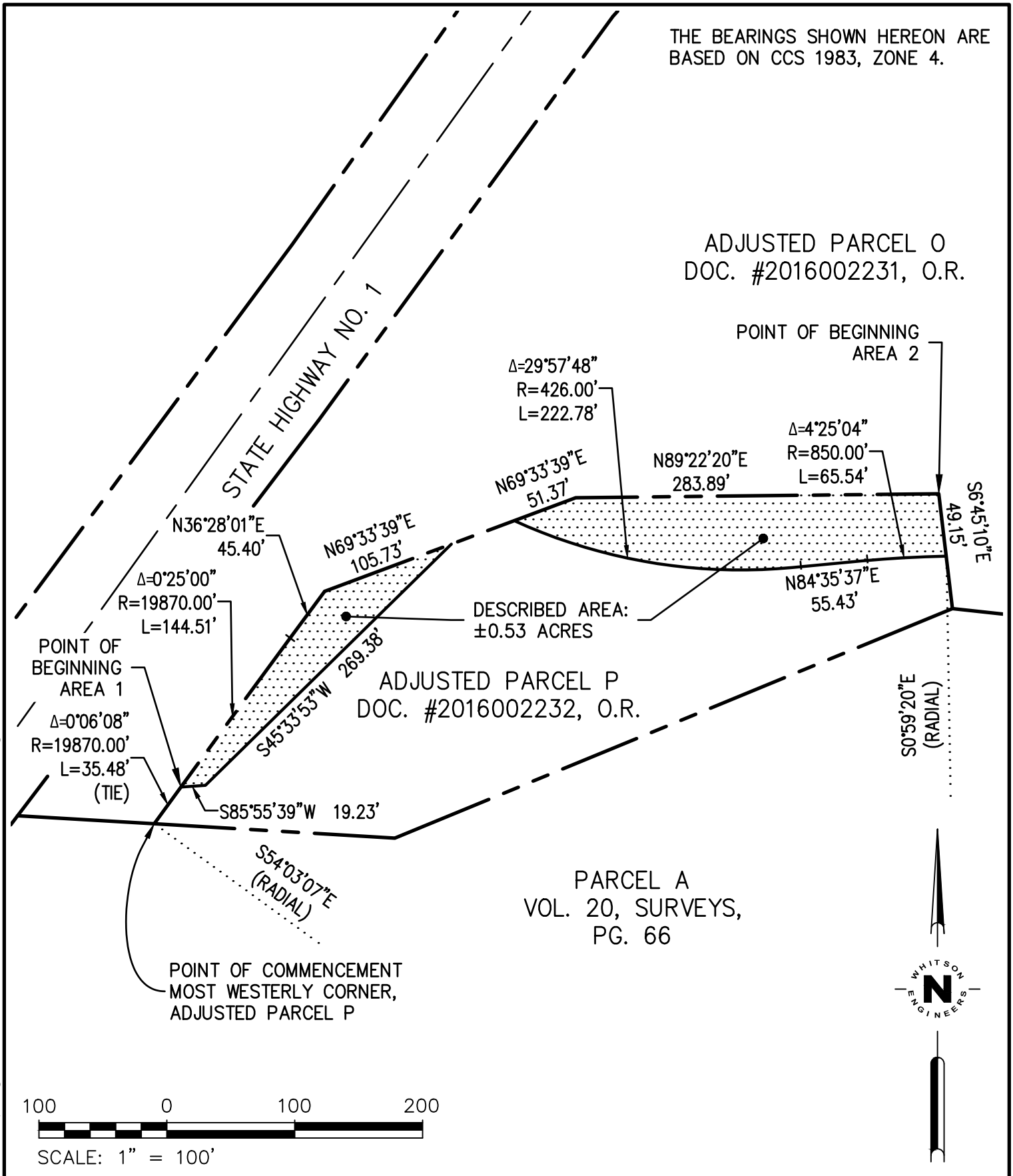

EXHIBIT 'B'

PLAT TO ACCOMPANY DESCRIPTION

OF A TEMPORARY CONSTRUCTION EASEMENT

MONTEREY COUNTY, CALIFORNIA

MAY 2024

Whitson ENGINEERS

Civil Engineering + Land Surveying
6 Harris Court
Monterey, CA 93940
831.649.5225
whitsonengineers.com

T:\Monterey Projects\2172\Survey\Legal Desc\Phase 2 Easements\Eastwood Esmt Plats.dwg

PROJECT No.: 2172.08

Exhibit “3”
Non-Foreign Certificate

TAXABLE YEAR

CALIFORNIA FORM

2024 Real Estate Withholding Statement 593

AMENDED: ● ☐ Escrow or Exchange No. _____

Part I Remitter Information ● ☐ REEP ☐ Qualified Intermediary ☐ Buyer/Transferee ☐ Other_____

Business name			☐ FEIN ☐ CA Corp no. ☐ CA SOS file no.
First name	Initial	Last name	SSN or ITIN
Address (apt./ste., room, PO box, or PMB no.)			
City (If you have a foreign address, see instructions.)	State	ZIP code	Telephone number

Part II Seller/Transferor Information

If a grantor or nongrantor trust, check the box that applies. ● ☐ Grantor ☐ Nongrantor Trust

First name/Grantor	Initial	Last name/Grantor	SSN or ITIN
Spouse's/RDP's first name (if jointly owned)	Initial	Last name	Spouse's/RDP's SSN or ITIN (if jointly owned)
Business/Nongrantor Trust name (if applicable)			☐ FEIN ☐ CA Corp no. ☐ CA SOS file no.
Address (apt./ste., room, PO box, or PMB no.)			
City (If you have a foreign address, see instructions.)	State	ZIP code	Telephone number
Property address (provide street address, parcel number, and county)			Ownership percentage . %

Part III Certifications which fully exempt the sale from withholding (See instructions)

Determine whether you qualify for a full withholding exemption. Check all boxes that apply to the property being sold or transferred.

◉ **1.** ☐ The property qualifies as the seller's (or decedent's, if sold by the decedent's estate or trust) principal residence under Internal Revenue Code (IRC) Section 121.

◉ **2.** ☐ The seller (or decedent, if sold by the decedent's estate or trust) last used the property as the seller's (decedent's) principal residence under IRC Section 121 without regard to the two-year time period.

◉ **3.** ☐ The seller has a loss or zero gain for California income tax purposes on this sale. Complete Part VI, Computation on Side 2.

◉ **4.** ☐ The property is compulsorily or involuntarily converted, and the seller intends to acquire property that will qualify for nonrecognition of gain under IRC Section 1033.

◉ **5.** ☐ The transfer qualifies for nonrecognition treatment under IRC Section 351 (property transferred to a corporation controlled by the transferor) or IRC Section 721 (property contributed to a partnership in exchange for a partnership interest).

◉ **6.** ☐ The seller is a corporation (or a limited liability company (LLC) classified as a corporation for federal and California income tax purposes) that is either qualified through the California Secretary of State or has a permanent place of business in California.

◉ **7.** ☐ The seller is a California partnership or qualified to do business in California (or an LLC that is classified as a partnership for federal and California income tax purposes that is not a single member LLC that is disregarded for federal and California income tax purposes).

◉ **8.** ☐ The seller is a tax-exempt entity under California or federal law.

◉ **9.** ☐ The seller is an insurance company, individual retirement account, qualified pension/profit sharing plan, or charitable remainder trust.

If you checked one or more boxes in line 1 through line 9, withholding is not required. **Do not** complete Part IV. Go to Side 3, complete the perjury statement and sign. Provide Sides 1-3 to the remitter before the close of escrow or exchange transaction to submit to the Franchise Tax Board.

Part IV Certifications that may partially or fully exempt the sale from withholding or if no exemptions apply (See instructions)

Determine whether you qualify for a full, partial, or no withholding exemption. Check all boxes that apply to the property being sold or transferred.

◉ **10.** ☐ The transfer qualifies as either a simultaneous or deferred like-kind exchange under IRC Section 1031. See instructions for Form 593, Part IV.

◉ **11.** ☐ The transfer of this property is an installment sale where the buyer must withhold on the principal portion of each installment payment. Copy of the promissory note is attached at the close of escrow. Complete Part V, Buyer/Transferee Information on Side 2. Withholding may be required.

◉ **12.** ☐ **No exemptions apply.** Check this box if the exemptions in Part III or Part IV, line 10 and line 11, do not apply. Remitter must complete Part VII, Escrow or Exchange Information, on Side 3 for amounts to withhold. Withholding is required.

Escrow or Exchange No.

Remitter name	SSN, ITIN, FEIN, CA corp no., or CA SOS file no.

Part V Buyer/Transferee Information

Complete this part if you checked box 11 in Part IV for an installment agreement.

First name/Grantor	Initial	Last name/Grantor	SSN or ITIN
Spouse's/RDP's first name (if jointly purchased)	Initial	Last name	Spouse's/RDP's SSN or ITIN

Business/Nongrantor Trust name (if applicable)	☐ FEIN ☐ CA Corp no. ☐ CA SOS file no.

Address (apt./ste., room, PO box, or PMB no.)

City (If you have a foreign address, see instructions.)	State	ZIP code	Telephone number

Principal Amount of Promissory Note	Installment Amount	Interest Rate	Repayment Period
.	.	. %	Number of months

Buyer's/Transferee's Acknowledgment to Withhold
Read the "Buyer/Transferee" information below.

I acknowledge that I am required to withhold on the principal portion of each installment payment to the seller/transferor for the above shown California real property either at the rate of 3 1/3% (.0333) or the Alternative Withholding Calculation, as specified by the seller/transferor on Form 593, Real Estate Withholding Statement, of the principal portion of each installment payment. I will complete Form 593 for the principal portion of each installment payment and send one copy of each to the Franchise Tax Board (FTB) along with Form 593-V, Payment Voucher for Real Estate Withholding, the withholding payment, and give one copy of Form 593 to the seller/transferor. I will send each withholding payment to the FTB by the 20th day of the month following the month of the installment payment. If the terms of the installment sale, promissory note, or payment schedule change, I will promptly inform the FTB. I understand that the FTB may review relevant escrow documents to ensure withholding compliance. I also understand that I am subject to withholding penalties if I do not withhold on the principal portion of each installment payment and do not send the withholding along with Form 593 to the FTB by the due date, or if I do not send one copy of Form 593 to the seller/transferor by the due date. **Go to Side 3, complete the perjury statement and sign.**

Part VI Computation

Complete this part if you checked and certified box 3 in Part III, or to calculate an alternative withholding calculation amount.

13. Selling price . . . . . ◉ **13**
14. Selling expenses **14**
15. Amount realized. Subtract line 14 from line 13 . . . . . **15**
16. Enter the price you paid to purchase the property (see instructions, How to Figure Your Basis.) **16**
17. Seller/Transferor-paid points **17**
18. Depreciation **18**
19. Other decreases to basis **19**
20. Total decreases to basis. Add line 17 through line 19 . . . . . **20**
21. Subtract line 20 from line 16 . . . . . **21**
22. Cost of additions and improvements . . . . . ◉ **22**
23. Other increases to basis . . . . . ◉ **23**
24. Total increases to basis. Add line 22 and line 23 . . . . . **24**
25. Adjusted basis. Add line 21 and line 24 . . . . . ◉ **25**
26. Enter any suspended passive activity losses from this property **26**
27. Add line 25 and line 26 . . . . . **27**
28. Estimated gain or loss on sale. Subtract line 27 from line 15 and enter the amount here.
If you have a loss or zero gain, skip lines 29 and 30. Certify on Side 3. Withholding is not required.
If you have a gain, go to line 29 to calculate your withholding **28**

Escrow or Exchange No.

Remitter name	SSN, ITIN, FEIN, CA corp no., or CA SOS file no.

29. Alternative withholding calculation amount. Check the applicable box for the filing type.

☐ Individual 12.3% ☐ Corporation 8.84% ☐ Bank and Financial Corporation 10.84% ☐ Trust 12.3%
☐ Non-California Partnership 12.3% ☐ S Corporation 13.8% ☐ Financial S Corporation 15.8%

Multiply the amount on line 28 by the tax rate for the filing type selected above and enter the amount here. This is the alternative withholding calculation amount. If you elect the alternative withholding calculation amount, then check the appropriate box on line 36, Boxes B-H, and enter the amount on line 37 . . . . . **29** _____

30. Sales price withholding amount. Multiply the selling price on line 13 by 3 1/3% (.0333).

This is the sales price withholding amount. If you select the **sales price withholding amount,** check box A on line 36 below and enter the amount on line 37 . . . . . **30** _____

Part VII Escrow or Exchange Information

31. Escrow or Exchange Number . . . . . ● **31** _____

32. Date of Transfer, Exchange Completion, Failed Exchange, or Installment Payment . . . . . (mm/dd/yyyy) ● **32** _____

33. Sales Price, Failed Exchange, or Boot Amount $ _____ **x** Ownership Percentage ____ . ____% ● **33** _____

34. Amount that should have been withheld in a **cash poor transaction** . . . . . ■ **34** _____ . ____

35. Type of Transaction (Check One Only): ●

A ☐ Conventional Sale/Transfer **C** ☐ Boot **E** ☐ Cash Poor
B ☐ Installment Sale Payment **D** ☐ Failed Exchange

36. Withholding Calculation (Check One Only): ●

Sales Price Method

A ☐ 3 1/3% (.0333) x Sales Price, Boot, or Installment Sale Payment

Alternative Withholding Calculation Election

B ☐ Individual 12.3% x Gain on Sale
C ☐ Non-California Partnership 12.3% x Gain on Sale
D ☐ Corporation 8.84% x Gain on Sale
E ☐ Bank and Financial Corp. 10.84% x Gain on Sale
F ☐ S Corporation 13.8% x Gain on Sale
G ☐ Financial S Corporation 15.8% x Gain on Sale
H ☐ Trust 12.3% x Gain on Sale

37. Amount Withheld from this Seller/Transferor . . . . . ■ **37** _____ . ____

Title and escrow persons, and exchange accommodators are not authorized to provide legal or accounting advice for purposes of determining withholding amounts. Transferors are strongly encouraged to consult with a competent tax professional for this purpose.

Our privacy notice can be found in annual tax booklets or online. Go to **ftb.ca.gov/privacy** to learn about our privacy policy statement, or go to **ftb.ca.gov/forms** and search for **1131** to locate FTB 1131 EN-SP, Franchise Tax Board Privacy Notice on Collection. To request this notice by mail, call 800.338.0505 and enter form code **948** when instructed.

Perjury Statement

Under penalties of perjury, I hereby certify that the information provided above is, to the best of my knowledge, true and correct. I further certify that:

Check the applicable box(s):

☐ The sale is fully exempt from withholding as indicated by a check mark(s) in Part III.
☐ The sale is fully or partially exempt from withholding as indicated by a check mark in Part IV, box 10 or 11.
☐ The seller has elected the Alternative Withholding Calculation as indicated by a check mark in Part VII, line 36 (B-H).
☐ The buyer/transferee understands and accepts the withholding requirements as stated on the Buyer's/Transferee's Acknowledgment to Withhold in Part V. The buyer/transferee should only check this box when involved in an installment sale.
☐ The Remitter (Qualified Intermediary) acknowledges this is a cash poor transaction as indicated by a check mark in Part VII, line 35, box E.

Sign Here

It is unlawful to forge a spouse's/RDP's signature.

	Seller's/Transferor's signature **X**	Date
	Seller's/Transferor's spouse's /RDP's signature **X**	Date
	Buyer's/Transferee's signature **X**	Date
	Buyer's/Transferee's spouse's/RDP's signature **X**	Date
	Remitter's name and Title/Escrow business name	**Telephone Number**

Attachment B

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Chris Lopez to:

Agreement No.: A-17079
a. Approve and authorize the Housing and Community Development Director to execute the Grant and Purchase of Easements and Escrow Instructions Agreement (Agreement) between the County of Monterey and Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest, and Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest, for the conveyance of a permanent easement and temporary construction easement across a portion of Assessor's Parcel Number (APN) 243-071-008 for the construction and maintenance of improvements and appurtenances related to the Carmel River Floodplain Restoration and Environmental Enhancement (CRFREE) Project, contingent upon entering into an agreement for grant funding with the California Office of Emergency Services for funding under the Federal Emergency Management Agency Hazard Mitigation Grant Program; and
b. Authorize the Director of Housing and Community Development to execute any related documents needed to complete the transaction, including, but not limited to, any future amendments to the Agreement subject to review and approval as to form by the Office of the County Counsel.
PRIOR CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) ACTION:
Approval of contracts is not a Project under CEQA. The Environmental Impact Report (EIR) for the CRFREE Project was certified by the Board of Supervisors on January 20, 2020. The CRFREE Project was approved and the corresponding Mitigation Monitoring and Reporting Program (MMRP) was adopted by the Board of Supervisors on June 15, 2021.

PASSED AND ADOPTED on this 27th day of August 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting August 27, 2024.

Dated: September 3, 2024
File ID: A 24-367
Agenda Item No.: 42

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

Attachment C

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Attachment C – CRFREE Project DWR Grants Budgets

DWR Flood Corridor Grant (DWR FC) tasks	Previous Grant Budget (Amendment 3)	New Grant Budget (Amendment 4)
1. Administration and Project Management	$20,000	**$20,000**
2. Design	$842,967	**$1,305,335**
3. Property Acquisition	$0	**$99,200**
4. Permitting and Environmental Review	$508,939	**$464,265**
5. Project Implementation	$3,628,094	**$3,111,201**
6. Construction Implementation (Post-Construction)	$0	**$0**
TOTALS	**$5,000,000**	**$5,000,000**

DWR Coastal Watershed Flood Risk Reduction (DWR CWFRR) Grant tasks	Current Grant Budget	New Grant Budget (Amendment 1)
1. Project Management & Final Design	$32,055	**$32,055**
2. Acquisition, Title and Escrow	$99,200	
3. Utility Relocation Coordination & Right of Way coordination	$5,000	
4. Permitting Fees	$5,000	
5. Utility Relocation	$1,000,000	
6. Detour	$623,282	
7. Construction Support and Monitoring	$155,613	**$2,245,000**
8. Construction	$2,448,213	**$2,620,095**
9. Mitigation - State Parks berm (CUL-9)	$535,616	**$250,000**
TOTALS	**$5,147,150**	**$5,147,150**

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Attachment D

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Attachment D - CRFREE Project Schedule Key Milestones
7/29/2025

2025 Pre-construction tasks:

- Complete easements and right of way agreements (September)
- FEMA funding
    - Currently pending signature on FONSI
    - Completion of FEMA's Environmental process (September)
    - CalOES award of grant funds (October)
- Utility relocation work begins (October)
- Caltrans ready to list (October)
- Public Access plan (due December 2025 to Coastal Commission)
- County bid review process (November 2025 – March 2026)

2026 Pre-Construction

- County Advertisement and award (March – August)
- Notice to Proceed to Construction Contractor (August 2026)
- Mobilization (September)

Construction period: October 2026 - August 2028

- Temporary detour (October)
- East floodplain grading
- Seeding/planting
- Causeway construction
- Permanent utility relocation
- CAWD pipeline undergrounding (2027)
- Complete causeway road construction, highway reopening
- Remove Temporary detour
- West floodplain grading
- Levee removal/Temp berm construction
- Planting/seeding and plant establishment

2028: Contract acceptance in October 2028, 3 years after FEMA funding

2028 – 2031

- Plant establishment criteria per CDFW permits

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Attachment E

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ATTACHMENT E - CRFREE GRANT FUNDING SUMMARY

	Description	Pre-construction remaining costs	Construction phase soft costs	Construction and long term management/monitoring costs	Total*
	TOTAL REMAINING PROJECT COST	**$1,702,864**	**$3,839,000**	**$50,932,344**	**$56,474,208**
Awarded Funding	DWR Flood Corridor*	$935,490	$0	$2,786,564	$3,722,055
	Wildlife Conservation Board*	$342,528	$0	$6,546,000	$6,888,258
	DWR Coastal Flood	$32,055	$2,245,000	$2,870,095	$5,147,149
	California State Coastal Conservancy	$440,250	$55,444	$8,277,049	$8,717,299
	DWR Urban Streams (BSLT)			$700,000	$700,000
	DWR Budget Surplus (BSLT)			$1,450,000	$1,450,000
	IRWMG			$898,451	$898,451
	CalTrans funding			$1,000,000	$1,000,000
Pending Agreeme	MPRPD left hand turn lane funding			$500,000	$500,000
	FY24 Federal earmark funds (Caltrans distributes)			$3,000,000	$3,000,000
Pending Award	***CalOES/FEMA*** *[Pending FONSI & large project notification]*		$1,485,000	$25,611,483	$27,096,483
	TOTAL Remaining Grant Funds	**$1,750,322**	**$3,730,000**	**$53,639,642**	**$59,119,964**

*****Total for awarded grants includes the total remaining (unspent) grant funds.

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Introduced: 8/8/2025

Current Status: Public Works, Facilities & Parks - Consent

Version: 1

Matter Type: BoS Agreement

a. Award a contract to Granite Rock Company, the lowest responsible bidder for the Salinas Road and Pajaro Project, Project No. 1175 (Project), in the total amount of $735,253;
b. Approve the Performance and Payment Bonds executed and provided by Granite Rock Company;
c. Authorize a contingency, not to exceed 10% of the contract amount or $73,525 to provide funding for approved contract change orders;
d. Authorize the Director of Public Works, Facilities and Parks to execute the contract subject to the provisions of the Public Contract Code and Board Policies as applicable, approve change orders to the contract that do not exceed 10% of the original contract amount or $73,525 do not significantly change the scope of work, and not to exceed the maximum contract amount of $808,778; and
e. Authorize the Director of Public Works, Facilities and Parks to execute a Certificate of Completion and record a Notice of Completion with the County Recorder when the Director determines that the contract is complete in all respects in accordance with the Plans and Special Provisions for the construction of the Salinas Road and Pajaro Project, Project No. 1175.
California Environmental Quality Act (CEQA) Action: A Notice of Exemption was filed on March 19, 2025, pursuant to CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities. The Project has been determined to be categorically exempt (Class 1) because the Project is to perform repair and maintenance of existing streets and similar facilities which involve no expansion of an existing use (See CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities).

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Award a contract to Granite Rock Company, the lowest responsible bidder for the Salinas Road and Pajaro Project, Project No. 1175 (Project), in the total amount of $735,253;
b. Approve the Performance and Payment Bonds executed and provided by Granite Rock Company;
c. Authorize a contingency, not to exceed 10% of the contract amount or $73,525 to provide funding for approved contract change orders;
d. Authorize the Director of Public Works, Facilities and Parks to execute the contract subject to the provisions of the Public Contract Code and Board Policies as applicable, approve change orders to the contract that do not exceed 10% of the original contract amount or $73,525 do not significantly change the scope of work, and not to exceed the maximum contract amount of $808,778; and
e. Authorize the Director of Public Works, Facilities and Parks to execute a Certificate of Completion and record a Notice of Completion with the County Recorder when the Director

determines that the contract is complete in all respects in accordance with the Plans and Special Provisions for the construction of the Salinas Road and Pajaro Project, Project No. 1175.

SUMMARY/DISCUSSION:

The Salinas Road and Pajaro Project is a safety improvement project in the Pajaro community, along Porter Drive and Salinas Road, from the County limit at the Pajaro Bridge to Railroad Avenue. Safety improvements include installing Class II bike lanes (with a three-foot buffer where feasible), improving crosswalks and sidewalks at selected locations, and installing dynamic speed warning signs for traffic calming.

The 2018 Transportation Agency for Monterey County (TAMC) Pajaro to Prunedale G12 Corridor Study (Study) identified this Project as a top safety priority for the County due to the high number of collisions, increasing traffic, and resulting safety concerns.

The County received a grant to partially fund the design and construction from the Local Highway Safety Improvement Program (HSIP). The HSIP is a core federal-aid program (23 U.S.C §148), codified under the Infrastructure Investment and Jobs Act (IIJA) signed into law on November 15, 2021. It aims to significantly reduce fatalities and serious injuries on all public roads.

Community meetings were held for both the G-12 Corridor Study and this Project. During a community meeting for the project, residents expressed concerns regarding certain components, particularly the proposed road diet (a technique that reconfigures a road by reducing vehicle travel lanes and repurposing space for bicyclists and pedestrians). Based on community feedback, the need for these features were then further investigated and deleted from the final Project design. Removing safety countermeasures from an HSIP-grant funded project typically reduces its competitiveness and eligibility score for the grant. Staff consulted with Caltrans Local Assistance, who confirmed the County remained eligible for the grant despite the countermeasure removal. The final design incorporates feedback from the community.

On June 17, 2025, the Board of Supervisors adopted the Plans and Special Provisions for the project. It was subsequently advertised, and bids were received and opened on July 10, 2025. Only one bid was received from Granite Rock Company, the apparent lowest responsible and responsive bidder, at $735,253. This amount is 27.7% under the Engineer's Estimate of $1,017,520. Construction is expected to begin in late September and end in November of 2025.

On March 19, 2025, the Public Works, Facilities, and Parks Department (PWFP) filed a Notice of Exemption for the project with the State Clearinghouse (SCH) in accordance with the California Environmental Quality Act (CEQA). The SCH, a division of the Governor's Office of Planning and Research (OPR), coordinates State-level review of CEQA documents. The project was determined to be categorically exempt (Class 1) under CEQA Guidelines (California Code of Regulations [CCR] Section 15301 Existing Facilities) as it involves repair and maintenance of existing streets and facilities with no expansion of use.

By approving the recommendations in this board report, the Board will enable the construction of these important safety improvements.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel-Risk Management and the Auditor-Controller's Office have reviewed and approved the proposed contract as to form, insurance and indemnification provisions and fiscal terms, respectively.

FINANCING:
The total estimated cost of the Project, including design engineering, environmental, right-of-way, and construction is $1,165,621. The County has secured HSIP funds for the Project as outlined in Attachment B, Project Budget. The Project is funded by HSIP funds in the amount of $690,963 and Measure X local funds in the amount of $474,658. There are sufficient appropriations adopted in the FY 2025-26 Road Fund 002, Appropriation Unit PFP004 budget to finance the construction phase of the Project.

Prepared by: Jose Miguel Sanchez, Assistant Engineer
Reviewed by: Chad Alinio, PE, Senior Civil Engineer
Enrique Saavedra, PE, Chief of Public Works, Facilities and Parks
Crystal Corpuz, Finance Manager II
Mary Grace Perry, Deputy County Counsel, Office of the County Counsel
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachments are on file with the Clerk of the Board:
Attachment A - Contract, Bonds, & Insurance
Attachment B - Project Budget
Attachment C - Bid Summary
Attachment D - Location Map

Introduced: 8/8/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

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California Environmental Quality Act (CEQA) Action: A Notice of Exemption was filed on March 19, 2025, pursuant to CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities. The Project has been determined to be categorically exempt (Class 1) because the Project is to perform repair and maintenance of existing streets and similar facilities which involve no expansion of an existing use (See CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities).

RECOMMENDATION:

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Prepared by: Jose Miguel Sanchez, Assistant Engineer
Reviewed by: Chad Alinio, PE, Senior Civil Engineer
Enrique Saavedra, PE, Chief of Public Works, Facilities and Parks
Crystal Corpuz, Finance Manager II
Mary Grace Perry, Deputy County Counsel, Office of the County Counsel
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

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Attachment C - Bid Summary
Attachment D - Location Map

Attachment A

Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

CONTRACT FOR PUBLIC WORK

COUNTY OF MONTEREY

STATE OF CALIFORNIA

PROJECT NO. 1175

THIS AGREEMENT, is made in triplicate by and between the COUNTY OF MONTEREY, a political subdivision of the State of California, hereinafter called the "County," and Granite Rock Company, hereinafter called the "Contractor," WITNESSETH:

(1) THE WORK

The Contractor shall do all the work and furnish all the materials, except such as are mentioned in any of the Contract documents to be furnished by the County, necessary to construct and complete in a good, workmanlike and substantial manner and to the satisfaction of the County, the following public work:

SALINAS AND PAJARO PROJECT
PROJECT NO. 1175

In accordance with this agreement and with all of the following additional Contract documents which are incorporated into and made a part of this agreement:

(a) The Standard Specifications, dated 2024, and the Standard Plans, dated 2024, including issued revision through NOVEMBER 8, 2023, of the State of California, Department of Transportation.

(b) A set of plans and cross sections (when applicable) entitled:

SALINAS AND PAJARO PROJECT
PROJECT NO. 1175

(c) The Special Provisions for the work

(d) The Notice to Bidders calling for bids

(e) The required Payment and Performance bonds

(f) Certificate of Insurance

(g) The accepted bid/proposal including the following:

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(1) List of Subcontractors
(2) Equal Employment Opportunity Certification
(3) Public Contract Code
Section 10285.1 Statement
Section 10162 Questionnaire
Section 10232 Statement
(4) Noncollusion Declaration
(5) Debarment and Suspension Certification
(6) Statement Concerning Employment Of Undocumented Aliens
(7) Contractor's Certificate As To Workers' Compensation
(8) List of Satisfied Public Agencies
(9) Bidder's Bond

All Contract documents are intended to cooperate, so that any work called for in one and not mentioned in another is to be executed the same as if mentioned in all. However, should there be any conflict between the terms of this instrument and the Contractor's bid or proposal, then this instrument shall control.

2. WORKERS' COMPENSATION

In accordance with the provisions of Section 3700 of the Labor Code, the Contractor and every Subcontractor will be required to secure the payment of compensation to his employees.

3. CONTRACT PRICE

The County shall pay the Contractor the following prices for the performance of this Contract:

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SALINAS AND PAJARO PROJECT
PROJECT NO. 1175
State Project No: HSIPSL-5944(144)
Federal Aid Project No: HSIPSL-5944(144)

BID:

Item No.	Item Code	F, S, P	Description	Unit	Quantity	Unit cost	Amount
1	050001A		CONSTRUCTION SURVEYS	LS	1	15,000	15,000
2	100001A		CONTRACTOR PUBLIC OUTREACH	LS	1	500	500
3	120090		CONSTRUCTION AREA SIGNS	LS	1	9,700	9,700
4	120100		TRAFFIC CONTROL SYSTEM	LS	1	83,195	83,195
5	130100		JOB SITE MANAGEMENT	LS	1	7,500	7,500
6	130201		WATER POLLUTION CONTROL PROGRAM	LS	1	750	750
7	130730		STREET SWEEPING	LS	1	1,000	1,000
8	130900		TEMPORARY CONCRETE WASHOUT	LS	1	850	850
9	150001A		RECONSTRUCT PLANTER BOX	LF	45	105	4,725
10	190101		ROADWAY EXCAVATION	CY	190	395	75,050
11	190142A		BASE REPAIR (DIGOUTS)	SQFT	1,000	36	36,000
12	260203		CLASS 2 AGGREGATE BASE (CY)	CY	69	298	20,562
13	390136		MICRO-SURFACING (TYPE II)	SQYD	22300	2.18	48,614
14	390136		HOT MIX ASPHALT (TYPE A)	TON	240	268	64,320
15	510503A		INLET (TYPE G3)	EA	1	6,250	6,250
16	640000X		REPLACE SIDEWALK DRAIN PIPE	LF	7	24	168
17	710050		REMOVE INLET	EA	1	1,765	1,765
18	730070		DETECTABLE WARNING SURFACE	SQFT	30	40	1,200

BID CONTINUED;

BID CONTINUED;

Item No.	Item Code	F, S, P	Description	Unit	Quantity	Unit cost	Amount
19	731505A		MINOR CONCRETE (CURB AND GUTTER)	LF	470	72	33,840
20	731517A		MINOR CONCRETE (DRIVEWAY)	SQYD	120	195	23,400
21	731522A		MINOR CONCRETE (SIDEWALK)	SQYD	120	153	18,360
22	731624A		MINOR CONCRETE (CURB RAMP)	SQYD	26	725	18,850
23	731780		REMOVE CONCRETE SIDEWALK (SQYD)	SQYD	39	58	2,262
24	731840		REMOVE CONCRETE (CURB AND GUTTER)	LF	470	14	6,580
25	750031A		INLET FRAME AND GRATE (TYPE 24-12X)	EA	1	874	874
26	780434A		PAINT CURB (2-COAT)	LF	760	1.25	950
27	120167A		TRAFFIC SEPARATOR	LF	30	250	7,500
28	810120		REMOVE PAVEMENT MARKER	EA	400	6	2,400
29	810230		PAVEMENT MARKER (RETROREFLECTIVE)	EA	390	10	3,900
30	820250		REMOVE ROADSIDE SIGN	EA	1	150	150
31	820750		FURNISH SINGLE SHEET ALUMINUM SIGN (0.063" - UNFRAMED)	SQFT	60	36	2,160
32	820840		ROADSIDE SIGN - ONE POST	EA	13	450	5,850
33	820860		INSTALL SIGN (STRAP AND SADDLE BRACKET METHOD)	EA	1	150	150
34	840503A		4" THERMOPLASTIC TRAFFIC STRIPE	LF	2,540	1.20	3,048
35	840505		6" THERMOPLASTIC TRAFFIC STRIPE	LF	12,300	1.50	18,450
36	840506		8" THERMOPLASTIC TRAFFIC STRIPE	LF	2,220	1.80	3,996
37	840507		6" THERMOPLASTIC TRAFFIC STRIPE (BROKEN 8-4)	LF	2,780	1.20	3,336
38	840515		THERMOPLASTIC PAVEMENT MARKING	SQFT	2,260	10	22,600
39	840529		6" THERMOPLASTIC TRAFFIC STRIPE (BROKEN 36-12)	LF	5,240	1.10	5,764

40	840530		6" THERMOPLASTIC TRAFFIC STRIPE (BROKEN 17-7)	LF	1,150	1.20	1,380
41	846030		REMOVE THERMOPLASTIC TRAFFIC STRIPE	LF	9,950	1.10	10,945
42	846035		REMOVE THERMOPLASTIC PAVEMENT MARKING	SQFT	1,100	7.50	8,250
43	847149A		METHYL METHACRYLATE GREEN PAVEMENT MARKING	SQFT	3290	15	49,350
44	872130A		MODIFYING EXISTING ELECTRICAL SYSTEMS	LS	1	16,000	16,000
45	871400		RADAR SPEED FEEDBACK SIGN SYSTEMS	LS	1	34,000	34,000
46	731522A		TEMPORARY WATER POLLUTION CONTROL	LS	1	1,200	1,200
47	999990		MOBILIZATION	LS	1	52,559	52,559
					TOTAL BID	735,253	

F – Final Pay Item
S – Specialty Item
P – Partial Pay Item

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates appearing below their respective signatures.

CONTRACTOR:

Granite Rock Company
(Name of Company)

By: _____
Signature of Chair, President, or Vice-President

Peter Lemon President and CEO
Printed Name and Title

Date: 8/6/2025

By: _____
Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer*

DAN LINDSEY VP AND CFO
Printed Name and Title

Date: 8-6-25

COUNTY OF MONTEREY:

By: _____

Name: Randell Ishii, MS, PE, TE, PTOE

Title: Director of Public Works, Facilities & Parks

Dated: _____

AUDITOR-CONTROLLER
APPROVE AS TO FISCAL TERMS PROVISIONS

By: DocuSigned by: Ma Mon 2617DD077D65495...

Name: Ma Mon

Title: Chief Deputy Auditor-Controller

Date: 8/8/2025 | 3:36 PM PDT

OFFICE OF THE COUNTY COUNSEL-RISK MANAGEMENT
APPROVE AS TO FORM

By: Signed by: Mary Grace Perry 76A18B9BA72D498...

Name: Mary Grace Perry

Title: Deputy County Counsel

Date: 8/8/2025 | 11:08 AM PDT

OFFICE OF THE COUNTY COUNSEL-RISK MANAGEMENT
APPROVE AS TO INDEMNITY/ INSURANCE LANGUAGE

By: DocuSigned by: David Bolton 3E7ABEF11DD8446...

Name: David Bolton

Title: Risk Manager

Date: 8/8/2025 | 4:06 PM PDT

***INSTRUCTIONS**: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this AGREEMENT on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the AGREEMENT.

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COUNTY OF MONTEREY

Bond No.:30249248

PERFORMANCE BOND

Premium:$2,206.00

WHEREAS, the County of Monterey has awarded to Principal, Granite Rock Company as Contractor, a Contract for the following project:

SALINAS AND PAJARO PROJECT
PROJECT NO 1175

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said Contract, to secure the faithful performance of said Contract.

NOW, THEREFORE, we Granite Rock Company, as Principal, and The Continental Insurance Company as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), in the penal sum of Seven Hundred Thirty-Five Thousand Two Hundred Fifty-Three and 00/100 Dollars ($ 735, 253.00----------), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal, as Contractor, or Principal's heirs, executors, administrators, successors, or assigns, (1) shall in all things stand to and abide by and well and truly keep and perform the covenants, conditions, and agreements in said Contract and any alteration thereof made as therein provided, on Principal's part to be kept and performed, at the time and in the manner therein specified and in all respects according to their true intent and meaning, and (2) shall defend, indemnify and save harmless the County, the members of its board of supervisors, and its officers, agents and employees as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and virtue.

Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said Contract or the call for bids, or to the work, or to the specifications.

Whenever the Principal, as Contractor, is in default, and is declared in default, under the Contract by the County of Monterey, the County of Monterey having performed its obligation under the Contract, Surety may promptly remedy the default, or shall promptly:

1.1. Complete the Contract in accordance with its terms or conditions, or

1.2. Obtain a bid or bids for submission to County of Monterey for completing the Contract in accordance with its terms or conditions, and upon determination by County of Monterey and Surety of the lowest responsible

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and responsive bidder, arrange for a Contract between such bidder and County of Monterey, and make available as work progresses (even though there should be a default or a succession of defaults under the Contract or Contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of Contract price.

If suit is brought upon this bond by the County and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorney's fees, court costs, expert witness fees and investigation expenses.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals this 5th day of August, 20 25, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal)

Granite Rock Company
Principal

By _____

Name and Title Peter Lemon, President & CEO

(Corporate Seal)

The Continental Insurance Company
Surety

By _____

Name and Title Rossio Polio, Attorney-in-Fact

(Attach notary acknowledgement for all signatures and original or certified copy of unresolved appointment, attorney-in-fact certificate, power of attorney, by laws, or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.)

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Francisco)

On 08/05/2025 before me, Nathalia P. Sholl , Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Rossio Polio
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

NATHALIA P. SHOLL
Notary Public - California
San Francisco County
Commission # 2512371
My Comm. Expires Feb 15, 2029

Signature NP Sholl
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Rossio Polio	Signer's Name:
☐ Corporate Officer — Title(s):	☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Individual ☒ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other:	☐ Other:
Signer Is Representing:	Signer Is Representing:

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POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That The Continental Insurance Company, a Pennsylvania insurance company, is a duly organized and existing insurance company having its principal office in the City of Chicago, and State of Illinois, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Charles R Shoemaker, Mark M Munekawa, Kelly Holtemann, Nerissa S Bartolome, Patrick R Diebel, Yvonne Roncagliolo, Valerie Takeuchi, Christina Parsons, Zachary V Overbay, Karen Rhodes, Andrew S Holloway, Rossio Polio, Christopher M Howell, Lucy M Dunham, Kathleen Earle, Erica Li, Nathalia P Sholl, Individually

of San Francisco, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the insurance company and all the acts of said Attorney, pursuant to the authority hereby given is hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the Authorizing By-Laws and Resolutions printed at the bottom of this page, duly adopted, as indicated, by the Board of Directors of the insurance company.

In Witness Whereof, The Continental Insurance Company has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 30th day of December, 2024.

The Continental Insurance Company

Larry Kasten — Vice President

State of South Dakota, County of Minnehaha, ss:

On this 30th day of December, 2024, before me personally came Larry Kasten to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is a Vice President of The Continental Insurance Company, a Pennsylvania insurance company, described in and which executed the above instrument; that he knows the seal of said insurance company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said insurance company and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said insurance company.

M. BENT NOTARY PUBLIC SOUTH DAKOTA

My Commission Expires March 2, 2026

M. Bent — Notary Public

CERTIFICATE

I, Paula Kolsrud, Assistant Secretary of The Continental Insurance Company, a Pennsylvania insurance company, do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Laws and Resolutions of the Board of Directors of the insurance company printed below this certificate are still in force. In testimony whereof I have hereunto and affixed the seal of the said insurance company this 5th day of August, 2025.

The Continental Insurance Company

Paula Kolsrud — Assistant Secretary

Authorizing By-Laws and Resolutions

ADOPTED BY THE BOARD OF DIRECTORS OF THE CONTINENTAL INSURANCE COMPANY:

This Power of Attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the Board of Directors of the Company at a meeting held on May 10, 1995.

"RESOLVED: That any Senior or Group Vice President may authorize an officer to sign specific documents, agreements and instruments on behalf of the Company provided that the name of such authorized officer and a description of the documents, agreements or instruments that such officer may sign will be provided in writing by the Senior or Group Vice President to the Secretary of the Company prior to such execution becoming effective.

This Power of Attorney is signed by Larry Kasten, Vice President, who has been authorized pursuant to the above resolution to execute power of attorneys on behalf of The Continental Insurance Company.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 25th day of April, 2012.

"Whereas, the bylaws of the Company or specific resolution of the Board of Directors has authorized various officers (the "Authorized Officers") to execute various policies, bonds, undertakings and other obligatory instruments of like nature; and

Whereas, from time to time, the signature of the Authorized Officers, in addition to being provided in original, hard copy format, may be provided via facsimile or otherwise in an electronic format (collectively, "Electronic Signatures"), Now therefore be it resolved: that the Electronic Signature of any Authorized Officer shall be valid and binding on the Company."

This Power of Attorney may be signed by digital signature and sealed by a digital or otherwise electronic-formatted corporate seal under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 27th day of April, 2022:

"RESOLVED: That it is in the best interest of the Company to periodically ratify and confirm any corporate documents signed by digital signatures and to ratify and confirm the use of a digital or otherwise electronic-formatted corporate seal, each to be considered the act and deed of the Company."

Go to www.cnasurety.com > Owner / Obligee Services > Validate Bond Coverage, if you want to verify bond authenticity.

Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Cruz

On 8/06/2025 (Date) before me, Gladys Lee, Notary Public (Here Insert Name and Title of the Officer)

personally appeared Peter Lemon (Name(s) of Signer(s))

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

GLADYS DIANA LEE
COMM # 2387209
MONTEREY County
California - Notary Public
Comm. Exp. Dec. 17, 2025

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Gladys D. Lee
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer is Representing: _____

Signer's Name: _____
☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer is Representing: _____

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COUNTY OF MONTEREY

Bond No.:30249248
Premium: Included in Perf. Bond

PAYMENT BOND

(Civil Code Section 9550)

WHEREAS, the County of Monterey has awarded to Principal, as Contractor, a Contract for the following project:

SALINAS AND PAJARO PROJECT
PROJECT NO 1175

AND WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said Contract, to secure the payment of claims of laborers, mechanics, materialmen, and other persons furnishing labor and materials on the project, as provided by law.

NOW, THEREFORE, we Granite Rock Company, as Principal, and The Continental Insurance Company as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), and to the persons named in California Civil Code section 9100 in the penal sum of Seven Hundred Thirty-Five Thousand Two Hundred Fifty-Three and 00/100 Dollars ($ 735,253.00----------) for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal, or any of Principal's heirs, executors, administrators, successors, assigns, or Subcontractors, (1) fails to pay in full all of the persons named in Civil Code Section 9100 with respect to any labor or materials furnished by said persons on the project described above, or (2) fails to pay in full all amounts due under the California Unemployment Insurance Code with respect to work or labor performed on the project described above, or (3) fails to pay for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Principal and Subcontractors pursuant to Unemployment Insurance Code section 13020 with respect to such work and labor, then the Surety shall pay for the same.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract on the call for bids, or to the work to be performed there under, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said Contract or the call for bids, or to the work, or to the specifications.

If suit is brought upon this bond by the County and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorney's fees, court costs, expert witness fees and investigation expenses.

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Bond No.:30249248

This bond inures to the benefit of any of the persons named in Civil Code Section 9100, and such persons or their assigns shall have a right of action in any suit brought upon this bond, subject to any limitations set forth in Civil Code Sections 9550 et seq. (Civil Code, Division 4, Part 6, Title 3, Chapter 5: Payment Bond for Public Works).

IN WITNESS WHERE OF the above-bounden parties have executed this instrument under their several seals this 5th day of August, 20 25, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal)

Granite Rock Company

Principal

By _____

Name and Title Peter Lemon, President & CEO

(Corporate Seal)

The Continental Insurance Company

Surety

By _____

Name and Title Rossio Polio, Attorney-in-Fact

(Attach notary acknowledgement for all signatures and original or certified copy of unresolved appointment, attorney-in-fact certificate, power of attorney, by laws, or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.)

Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Francisco)

On 08/05/2025 before me, Nathalia P. Sholl , Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Rossio Polio
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

NATHALIA P. SHOLL
Notary Public - California
San Francisco County
Commission # 2512371
My Comm. Expires Feb 15, 2029

Signature NPSholl
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Rossio Polio	Signer's Name:
☐ Corporate Officer — Title(s):	☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Individual ☒ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other:	☐ Other:
Signer Is Representing:	Signer Is Representing:

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POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That The Continental Insurance Company, a Pennsylvania insurance company, is a duly organized and existing insurance company having its principal office in the City of Chicago, and State of Illinois, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Charles R Shoemaker, Mark M Munekawa, Kelly Holtemann, Nerissa S Bartolome, Patrick R Diebel, Yvonne Roncagliolo, Valerie Takeuchi, Christina Parsons, Zachary V Overbay, Karen Rhodes, Andrew S Holloway, Rossio Polio, Christopher M Howell, Lucy M Dunham, Kathleen Earle, Erica Li, Nathalia P Sholl, Individually

of San Francisco, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the insurance company and all the acts of said Attorney, pursuant to the authority hereby given is hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the Authorizing By-Laws and Resolutions printed at the bottom of this page, duly adopted, as indicated, by the Board of Directors of the insurance company.

In Witness Whereof, The Continental Insurance Company has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 30th day of December, 2024.

The Continental Insurance Company

Larry Kasten — Vice President

State of South Dakota, County of Minnehaha, ss:

On this 30th day of December, 2024, before me personally came Larry Kasten to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is a Vice President of The Continental Insurance Company, a Pennsylvania insurance company, described in and which executed the above instrument; that he knows the seal of said insurance company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said insurance company and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said insurance company.

M. BENT NOTARY PUBLIC SOUTH DAKOTA

My Commission Expires March 2, 2026

M. Bent — Notary Public

CERTIFICATE

I, Paula Kolsrud, Assistant Secretary of The Continental Insurance Company, a Pennsylvania insurance company, do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Laws and Resolutions of the Board of Directors of the insurance company printed below this certificate are still in force. In testimony whereof I have hereunto and affixed the seal of the said insurance company this 5th day of August, 2025.

The Continental Insurance Company

Paula Kolsrud — Assistant Secretary

Authorizing By-Laws and Resolutions

ADOPTED BY THE BOARD OF DIRECTORS OF THE CONTINENTAL INSURANCE COMPANY:

This Power of Attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the Board of Directors of the Company at a meeting held on May 10, 1995.

"RESOLVED: That any Senior or Group Vice President may authorize an officer to sign specific documents, agreements and instruments on behalf of the Company provided that the name of such authorized officer and a description of the documents, agreements or instruments that such officer may sign will be provided in writing by the Senior or Group Vice President to the Secretary of the Company prior to such execution becoming effective.

This Power of Attorney is signed by Larry Kasten, Vice President, who has been authorized pursuant to the above resolution to execute power of attorneys on behalf of The Continental Insurance Company.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 25th day of April, 2012.

"Whereas, the bylaws of the Company or specific resolution of the Board of Directors has authorized various officers (the "Authorized Officers") to execute various policies, bonds, undertakings and other obligatory instruments of like nature; and

Whereas, from time to time, the signature of the Authorized Officers, in addition to being provided in original, hard copy format, may be provided via facsimile or otherwise in an electronic format (collectively, "Electronic Signatures"), Now therefore be it resolved: that the Electronic Signature of any Authorized Officer shall be valid and binding on the Company."

This Power of Attorney may be signed by digital signature and sealed by a digital or otherwise electronic-formatted corporate seal under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 27th day of April, 2022:

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Go to www.cnasurety.com > Owner / Obligee Services > Validate Bond Coverage, if you want to verify bond authenticity.

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CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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State of California
County of Santa Cruz

On 8/06/2025 (Date) before me, Gladys Lee, Notary Public (Here Insert Name and Title of the Officer),

personally appeared Peter Lemon (Name(s) of Signer(s)),

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

GLADYS DIANA LEE
COMM # 2387209
MONTEREY County
California - Notary Public
Comm. Exp. Dec. 17, 2025

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Gladys D. Lee
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer – Title(s): _____	☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General	☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer is Representing: _____	Signer is Representing: _____

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 8/6/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Woodruff-Sawyer & Co.
50 California Street, Floor 12
San Francisco CA 94111

CONTACT NAME: Chris Kelley
PHONE (A/C, No, Ext): 415-402-6521 **FAX (A/C, No):** 415-989-9923
E-MAIL ADDRESS: ckelley@woodruffsawyer.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : American Contractors Insurance Co RRG	12300
INSURER B : Continental Insurance Company	35289
INSURER C : ACIG Insurance Company	19984
INSURER D : Berkley Assurance Company	39462
INSURER E :	
INSURER F :	

INSURED GRANCOM-01
Granite Rock Company
PO Box 50001
Watsonville, CA 95076

COVERAGES **CERTIFICATE NUMBER:** 822493094 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY	Y	Y	GL25A00056	6/1/2025	6/1/2026	EACH OCCURRENCE	$ 10,000,000
A	CLAIMS-MADE X OCCUR			GL25B00056 (GL Excess)	6/1/2025	6/1/2026	DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 100,000
A				GL25C00056 (GL Excess)	6/1/2025	6/1/2026	MED EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 10,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 10,000,000
	POLICY X PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$ 10,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY	Y	Y	AL25000019	6/1/2025	6/1/2026	COMBINED SINGLE LIMIT (Ea accident)	$ 5,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
B	UMBRELLA LIAB X OCCUR			CUE7014990956	6/1/2025	6/1/2026	EACH OCCURRENCE	$ 10,000,000
B	X EXCESS LIAB CLAIMS-MADE						AGGREGATE	$ 10,000,000
B	DED RETENTION $							$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N		Y	WCA000026125	6/1/2025	6/1/2026	X PER STATUTE OTH-ER	
C	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N / N/A (Mandatory in NH)						E.L. EACH ACCIDENT	$ 1,000,000
C	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
C							E.L. DISEASE - POLICY LIMIT	$ 1,000,000
D	Pollution/Professional Liability			PCAB50280110625	6/1/2025	6/1/2026	Per Claim/*Aggregate	$10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Professional/Pollution *Aggregate limit is total insurance available for all claims presented within the policy period for operations of insured. Limit will be reduced by payments of indemnity and/or expenses.
Re: GR Job #8746; Salinas Road and Pajaro Project, Project# 1175. The County of Monterey, Its Officers, Agents and Employees are additional insured per the attached forms, wherein coverage is Primary and Non-Contributory. Waivers of Subrogation apply per the attached forms. Policies contain a 30 day notice of cancellation and a 10 day notice of cancellation for non-payment of premium.

CERTIFICATE HOLDER

County of Monterey
Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas CA 93901

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Zoe Overbay

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ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO LIABILITY COVERAGE PART

Any person or organization you are required by contract to include as an additional insured on this policy is an "insured" but only with respect to liability arising out of the ownership, maintenance or use of an "auto" in the operations incidental to the contract and to the extent set forth below:

(1) The limit of insurance will not be greater than that required by such contract.

(2) The coverage provided to the additional insured will not be greater than that customarily provided by the policy forms specified in and required by the contract.

(3) All insuring agreements, exclusions and conditions of this policy will apply.

(4) In no event shall the coverage or limit of insurance in this coverage form be increased by such contract.

This insurance is excess to any other insurance, whether primary, excess, contingent or on any other basis, available to the additional insured unless a written contract requires that this insurance be primary or primary and non-contributing. However, this insurance is always excess to other insurance, whether primary, excess, contingent or on any other basis, when the additional insured has been added to the other insurance as an additional insured.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the mentioned Policy, other than as above stated.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: **same as policy eff. date unless otherwise indicated above.**

Policy Effective: 6/1/2025 Policy No. AL25000019 Endorsement No.:

Insured: Granite Rock Company Premium $

Insurance Company: American Contractors Insurance Co RRG

Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

ADDITIONAL INSURED – AUTOMATIC STATUS AS REQUIRED BY CONTRACT – BLANKET

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Any person or organization that you are required by written contract to include as an additional insured on this policy if the contract is executed prior to the loss.

A. Section II, Who Is An Insured is amended to include as an additional insured any person or organization shown in the above SCHEDULE (called additional insured), but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of your premises or your operations for the additional insured, and only to the extent and for the minimum limits required in the written contract.

B. The insurance provided to the additional insured is subject to the following limitations:

1. Unless a written contract specifically requires additional insured coverage for your completed operations, this insurance does not apply to "bodily injury" or "property damage" occurring after "your work" for the additional insured has been completed or after that portion of "your work" out of which the "bodily injury" or "property damage" arises has been put to its intended use by any person or organization, whichever occurs first.

2. Unless broader coverage is specifically required by written contract, this insurance provides additional insured coverage only for liability for "bodily injury", "property damage" or "personal and advertising injury" to the extent caused by the named insured's acts or omissions or the acts or omissions of those acting on the named insured's behalf. If broader coverage is specifically required by written contract, this insurance does not apply to "bodily injury" or "property damage" or "personal and advertising injury" arising out of the sole negligence, act, or omission of the Additional Insured unless additional insured coverage for an Additional Insured's sole negligence, act, or omission is specifically required by written contract.

3. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" for which the additional insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement except to the extent that the additional insured would have been obligated to pay such damages in the absence of the contract or agreement.

4. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering or failure to render any professional services by any insured or on any insured's behalf, including:

   a) The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, drawings or specifications; or
   b) Supervisory, inspection, architectural, or engineering services.

   This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

5. This endorsement shall not apply to a person or organization if any other additional insured endorsement attached to this policy specifically applies to that person or organization.

6. The insurance afforded herein only applies to the extent permitted by applicable state law, including statutes governing additional insured coverage in the construction industry.

7. The insurance afforded to the additional insured shall not exceed the minimum limits required in the written contract.

C. In no event shall the insurance provided to the additional insured exceed the minimum coverage required by the written contract, including but not limited to minimum limits, minimum scope of coverage, or minimum duration of coverage. If a written contract or agreement requires that additional insured status be provided by the use of specified edition dates of the ISO CG2010 and/or CG2037, then the terms of that endorsement are incorporated into this endorsement as respects such additional insured and shall supersede the coverage grant and limitations in Sections A. and B. of this endorsement. In the event that CG2010 and/or CG2037 are required but no edition dates are specified, the 04/13 editions shall apply.

D. This insurance is excess to any other insurance, whether primary, excess, contingent or on any other basis, available to the additional insured unless a written contract requires that this insurance be primary or primary and non-contributing. However, this insurance is always excess to other insurance, whether primary, excess, contingent or on any other basis, when the additional insured has been added to the other insurance as an additional insured.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the mentioned Policy, other than as above stated.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: **Same as policy effective date unless otherwise indicated above.**

Policy Effective: 6/1/2025 Policy No.: GL25A00056 Endorsement No.:

Insured: Granite Rock Company Premium $

Insurance Company: American Contractors Insurance Co. RRG

Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

AGGREGATE LIMITS OF INSURANCE (PER PROJECT)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

It is hereby understood and agreed the General Aggregate Limit under Section III - Limits of Insurance of the Coverage Form applies separately to each of your projects away from premises owned by or rented to you.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the mentioned Policy, other than as above stated.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: 6/1/2025 Policy No.: GL25A00056 Endorsement No.: 5

Policy Effective: 6/1/2025 Premium $

Insured: Granite Rock Company

Insurance Company: American Contractors Insurance Company Risk Retention Group

Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Name of Person(s) or Organization(s):

Any person or organization for whom you have agreed by written contract to furnish this waiver.

Section IV – Commercial General Liability Conditions, 14. Transfer of Rights of Recovery Against Others to Us is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the mentioned Policy, other than as above stated.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: 6/1/2025 Policy No.: GL25A00056 Endorsement No.: 16

Policy Effective: 6/1/2025 Premium $

Insured: Granite Rock Company

Insurance Company: American Contractors Insurance Company Risk Retention Group

Docusign Envelope ID: 7E26A85F-34EB-409D-BFC9-873B2FD8F834

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY **WC 04 03 06**
(Ed. 04-84)

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT–CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be ___*___% of the California workers' compensation premium otherwise due on such remuneration.

Schedule

Person or Organization	Job Description
Whomever the named insured is required by written contract executed prior to loss to waive rights of recovery against.	

★ *No Additional Premium to be applied*

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: Same as Policy Effective Date unless otherwise indicated above.
Policy Effective Date: 6/1/2025 Policy No. WCA000026125 Endorsement No.
Premium $

Insured Granite Rock Company

Carrier Name/Code: ACIG Insurance Company

Attachment B

ATTACHMENT B – PROJECT BUDGET

COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES AND PARKS
THE SALINAS ROAD AND PAJARO PROJECT
PROJECT NO. 1175

PROJECT BUDGET

Design Engineering/Environmental	$ 277,607
Right of Way	$ 8,236
Construction Management	$ 71,000
Construction Contract	$ 735,253
10% Contingency	$ 73,525
TOTAL ESTIMATED PROJECT COST:	**$ 1,165,621**

REVENUE

State Funds/Federal Funds	
Highway Safety Improvement Program (HSIP)	$ 690,963
Local Funds	
Measure X	$ 474,658
TOTAL:	**$ 1,165,621**

Attachment C

BID SUMMARY SHEET: BOARD OF SUPERVISORS, COUNTY OF MONTEREY

PROJECT: **Salinas Pajaro Project Bid Opening - Project Number 1155 (July 10, 2025, at 2:00 p.m.)**

DEPARTMENT: **Public Works, Facilities, and Parks**

PROJECT NO.: **1175**

	Bidders	Total Bid Amount
1	Graniterock 5225 Hellyer Avenue, Suite 220 San Jose, CA 95138	$ 735,253.00
2		$
3		$
4		$
5		$
6		$
7		$
8		$
9.		$

Certification: I certify that bids listed above were opened, examined, and declared by me at 2:00 p.m. on July 10, 2025, in the Clerk of the Boards office – Board Chambers, 1st Floor, Government Center, Salinas, CA.

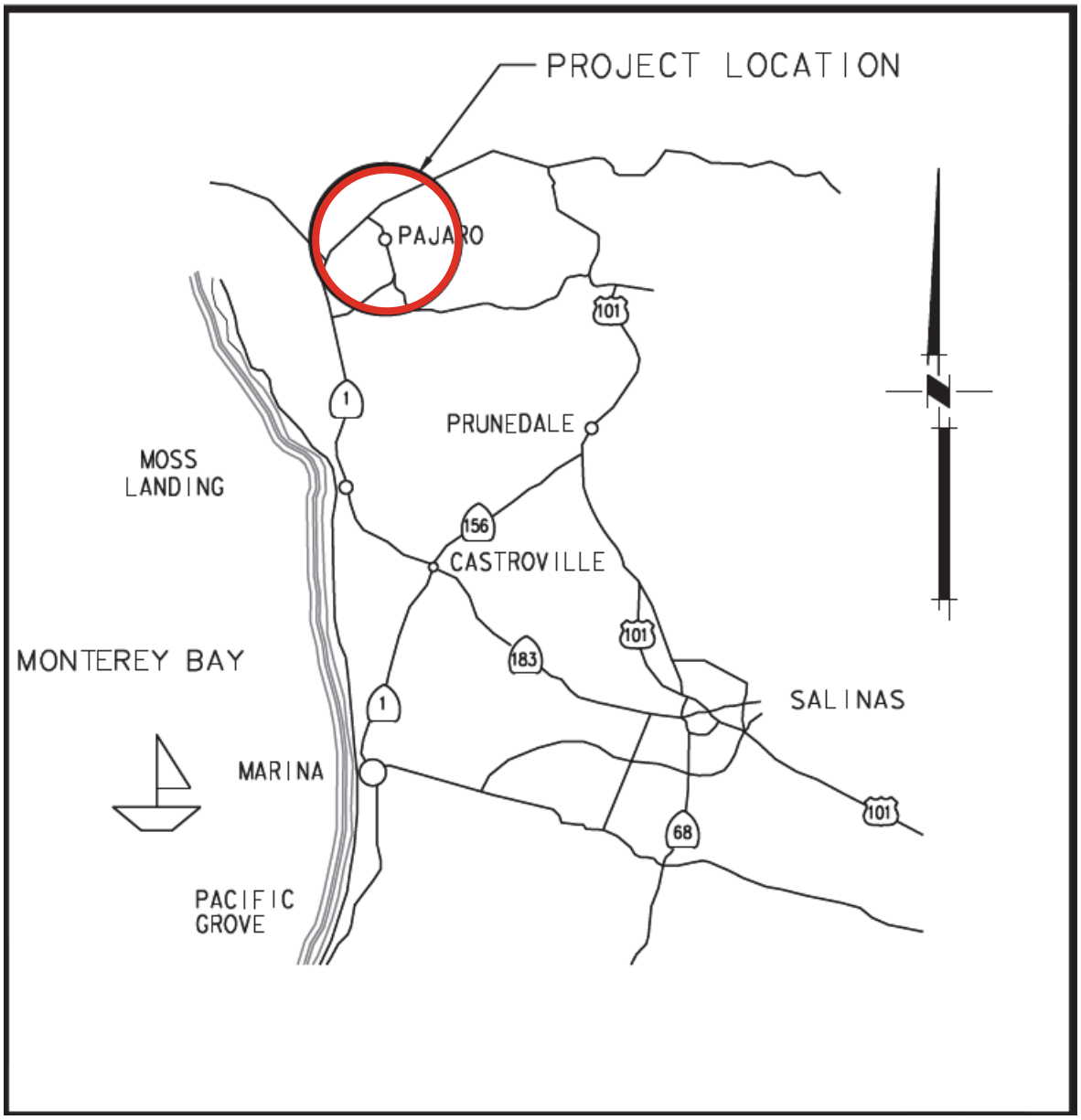
Tom Skinner for Sonia De La Rosa, Purchasing Agent

By _____
Deputy Purchasing Agent

Attachment D

ATTACHMENT A – LOCATION MAP

COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES AND PARKS
THE SALINAS ROAD AND PAJARO PROJECT
PROJECT NO. 1175



Introduced: 8/13/2025

Current Status: Public Works, Facilities & Parks - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve submittal of a subapplication under the California Office of Emergency Services (Cal OES) to the Federal Emergency Management Agency's Hazard Mitigation Grant Program (HMGP), to request funding for the Scenic Road Protection Structure Project;
b. Authorize the Director of Public Works, Facilities and Parks or his/her designee, to act as the agent for the County in processing all documentation to secure these funds; and
c. Direct PWFP to return to the Board for approval prior to acceptance of grant award.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Approve submittal of a subapplication under the California Office of Emergency Services (Cal OES) to the Federal Emergency Management Agency's Hazard Mitigation Grant Program (HMGP), to request funding for the Scenic Road Protection Structure Project;
b. Authorize the Director of Public Works, Facilities and Parks or his/her designee, to act as the agent for the County in processing all documentation to secure these funds; and
c. Direct PWFP to return to the Board for approval prior to acceptance of grant award.

SUMMARY/DISCUSSION:
The bluff along Scenic Road north of the Carmel River State Beach has experienced significant erosion during coastal storm events, resulting in repetitive and costly repairs to Scenic Road, underground public utilities including sewer and communications within Scenic Road, Carmel River State Beach assets (parking lot, bathrooms, and interpretive area) and nearby infrastructure. The Carmel Lagoon Scenic Road Protection Structure Project (SRPS), a flood mitigation project at Carmel River State Beach, is intended to prevent erosion and infrastructure damage and protect access to residences during and after storm wave events or northern river breaches, characterized by waves up to 22 feet (NAVD88) high and river flows up to 3,000 cubic feet per second (cfs). The SRPS is a low-profile wall structure that stretches from the Carmel River State Beach to
approximately Valley View Ave. and is intended to bolster these infrastructure assets to endure severe coastal storm and flooding events by preventing erosion that undermines the road and threatens State and County assets.

The SRPS is one component of the Carmel Lagoon Ecosystem Protective Barrier (EPB), Scenic Road Protection Structure (SRPS), and Interim Sandbar Management Plan (ISMP) Project Environmental Impact Report (FEIR) approved by the Board of Supervisors (Board) on September 10, 2024 at which time the Board provided the directive to seek funding for the design, permitting, construction, and ongoing maintenance of the SRPS at the Mid Slope Wall (alternative 5.3.2.5 of the FEIR). The County of Monterey Housing and Community Development (HCD) initiated consultant services to develop the 30% design plans necessary to complete the FEIR for the SRPS.

The Federal Emergency Management Agency's Hazard Mitigation Grant Program (HMGP) is a competitive grant program administered by California Governor's Office of Emergency Services (Cal OES) HMGP Unit that provides funding for communities to implement mitigation activities that reduce risk to life, property, and infrastructure from natural hazards. In California, natural hazards include wildfire, earthquake, drought, extreme heat, flooding, and other natural hazards as defined in the State Hazard Mitigation Plan. HCD and Public Works, Facilities and Parks (PWFP) staff developed and submitted a Notice of Intent (NOI) to the HMGP on May 16, 2025 and an invitation to apply for project funding was received on June 19, 2025. HCD and PWFP intend to submit a phased project application to the HMGP to request approximately $6.4 million to complete Phase 1 (planning, deisgn, and permitting) and Phase 2 (construction) of the SRPS. The total project costs are estimated to be $8,517,000 and a 25% match ($2,129,250) is required. A signed Funding Commitment Letter (Attachment A) for the 25% match and Maintenance Commitment Letter (Attachment B) are required at the time of application. Grant applications are due on September 15, 2025 and Cal OES anticpates HMGP award notification in 2027 or 2028. Eligible costs include construction and design/planning costs for phased projects.

If the proposed grant application is selected to receive funding, staff will return to the Board for approval to accept the grant award and approve the Project. Programming a flood protection project protects public (County and State) and private infrastructure assets, enhances public safety and supports construction jobs. Approval of this item will authorize the Director of Public Works, Facilities and Parks or designee to act as the agent for the County to process all documentation required to secure these funds.

OTHER AGENCY INVOLVEMENT:
HCD and PWFP staff collaborated to develop the HMGP application. HCD and PWFP staff collaborated with the CalOES technical assistance team during application development. The Office of County Counsel reviewed the HMGP NOI and will review the HMGP sub-application.

FINANCING:
Staff cost to submit the HMGP application will be funded out of the Road Fund. The estimated cost is $5,000 and the adopted FY 2025-26 Road Fund 002 budget includes sufficient funds to finance this work. The total Project cost is approximately $8,517,000 and a signed Funding Commitment Letter (Attachment A) is required to confirm availability of the 25% match ($2,129,250). If HMGP funds are awarded and approved by the Board, expenditures for the SRPS could begin in FY 2027-28 or FY 2028-29 and continue up to four years. PWFP will seek support of matching funds ($2,129,250) through a combination of outside funding sources

including, but not limited to: private contributions or County Service Area (CSA) funds or Road Fund; and Budget Committee and Capital Improvement Committee support for the remainder of the required matching funds in advance of a request for Board approval to appropriate Road Fund to add the SRPS to the FY 2027-28 Annual Work Program for Road Fund and Capital Improvement Program 5-Year Plan (CIP).

Additionally, a signed Maintenance Commitment Letter (Attachment B) stating that PWFP will bear the SRPS maintenance costs (estimated $7,000 annually) throughout the useful life of the Project (approximately 50 years) is required at the time of application. The annual Road Fund allocation contains sufficient funding for these maintenance costs. Scenic Road has been reduced from two lanes to one lane due to damage from large waves and a northward flowing Carmel River breach. Protecting Scenic Road will reduce repair costs associated with natural conditions that undermine and damage the road.

BOARD OF SUPERVISORS' STRATEGIC INITIATIVES:
The SRPS is sustainable, physical infrastructure that protects County and State infrastructure assets and improves the quality of life for County residents and visitors. The recommended action supports the following Board of Supervisors' Strategic Initiatives:

___ Administration
___ Health & Human Services
_X_ Infrastructure
_X_ Public Safety

Prepared by: Shandy Carroll, Management Analyst III for HCD (831) 784-5643
Janie Bettencourt, Management Analyst II
Reviewed by: Enrique Saavedra, PE, Chief of Public Works
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachment is on file with the Clerk of the Board:
Attachment A - HMGP Funding Commitment Letter
Attachment B - HMGP Maintenance Commitment Letter
Attachment C - Location Map

Introduced: 8/13/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

a. Approve submittal of a subapplication under the California Office of Emergency Services (Cal OES) to the Federal Emergency Management Agency's Hazard Mitigation Grant Program (HMGP), to request funding for the Scenic Road Protection Structure Project;
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It is recommended that the Board of Supervisors:
a. Approve submittal of a subapplication under the California Office of Emergency Services (Cal OES) to the Federal Emergency Management Agency's Hazard Mitigation Grant Program (HMGP), to request funding for the Scenic Road Protection Structure Project;
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Committee support for the remainder of the required matching funds in advance of a request for Board approval to appropriate Road Fund to add the SRPS to the FY 2027-28 Annual Work Program for Road Fund and Capital Improvement Program 5-Year Plan (CIP).

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___ Administration
___ Health & Human Services
_X_ Infrastructure
_X_ Public Safety

Prepared by: Shandy Carroll, Management Analyst III for HCD (831) 784-5643
Janie Bettencourt, Management Analyst II
Reviewed by: Enrique Saavedra, PE, Chief of Public Works
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachment is on file with the Clerk of the Board:
Attachment A - HMGP Funding Commitment Letter
Attachment B - HMGP Maintenance Commitment Letter
Attachment C - Location Map

Attachment A

County of Monterey
PUBLIC WORKS, FACILITIES AND PARKS
Randell Ishii, MS, PE, TE, PTOE, Director

1441 Schilling Place, 2nd Floor
Salinas, CA 93901
O: 831 755 4800
F: 831 755 4958

August 26, 2025

California State Hazard Mitigation Officer
California Governor's Office of Emergency Services
3650 Schriever Avenue
Mather, California 95655

RE: AP-02075, Monterey County Carmel Lagoon Scenic Road Protection Structure Project, Match Commitment Letter

Dear State Hazard Mitigation Officer,

This letter serves as the County of Monterey, Department of Public Works, Facilities and Parks commitment to meet the non-federal cost share requirement of the Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP).

Non-Federal Cost Share Source:	Local Agency Funding	Other Agency Funding	Private Nonprofit Funding	State Agency Funding
	☒	☐	☐	☐

Name of Funding Source:	Outside funds (private contributions, special assessments, and/or Road Fund)
Funding Type:	General Fund and Non-General Fund
Federal Share Amount Requested:	$ 6,387,750
Non-Federal Share (Match Commitment):	$2,129,250
Funds Availability Date:	Upon notification of award (2027 or later)
Expiration date of the Non-Federal Share (Match):	Funds do not expire

Please contact Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks at ishiir@countyofmonterey.gov with any questions.

Sincerely,

Randell Ishii, MS, PE, TE, PTOE
Director of Public Works, Facilities and Parks

Attachment B

County of Monterey

PUBLIC WORKS, FACILITIES AND PARKS
Randell Ishii, MS, PE, TE, PTOE, Director

1441 Schilling Place, 2nd Floor
Salinas, CA 93901
O: 831 755 4800
F: 831 755 4958

August 26, 2025

California State Hazard Mitigation Officer
California Governor's Office of Emergency Services
3650 Schriever Avenue
Mather, California 95655

RE: AP-02075, Monterey County Carmel Lagoon Scenic Road Protection Structure Project (SRPS), Maintenance Commitment Letter

Dear State Hazard Mitigation Officer,

This letter serves as the County of Monterey, Department of Public Works, Facilities and Parks (PWFP) commitment to perform the necessary maintenance for the entire useful life of this project (approximately 50 years) once completed. PWFP is allocating an annual budget of $7,000 which will allow maintenance to occur as needed for the project).

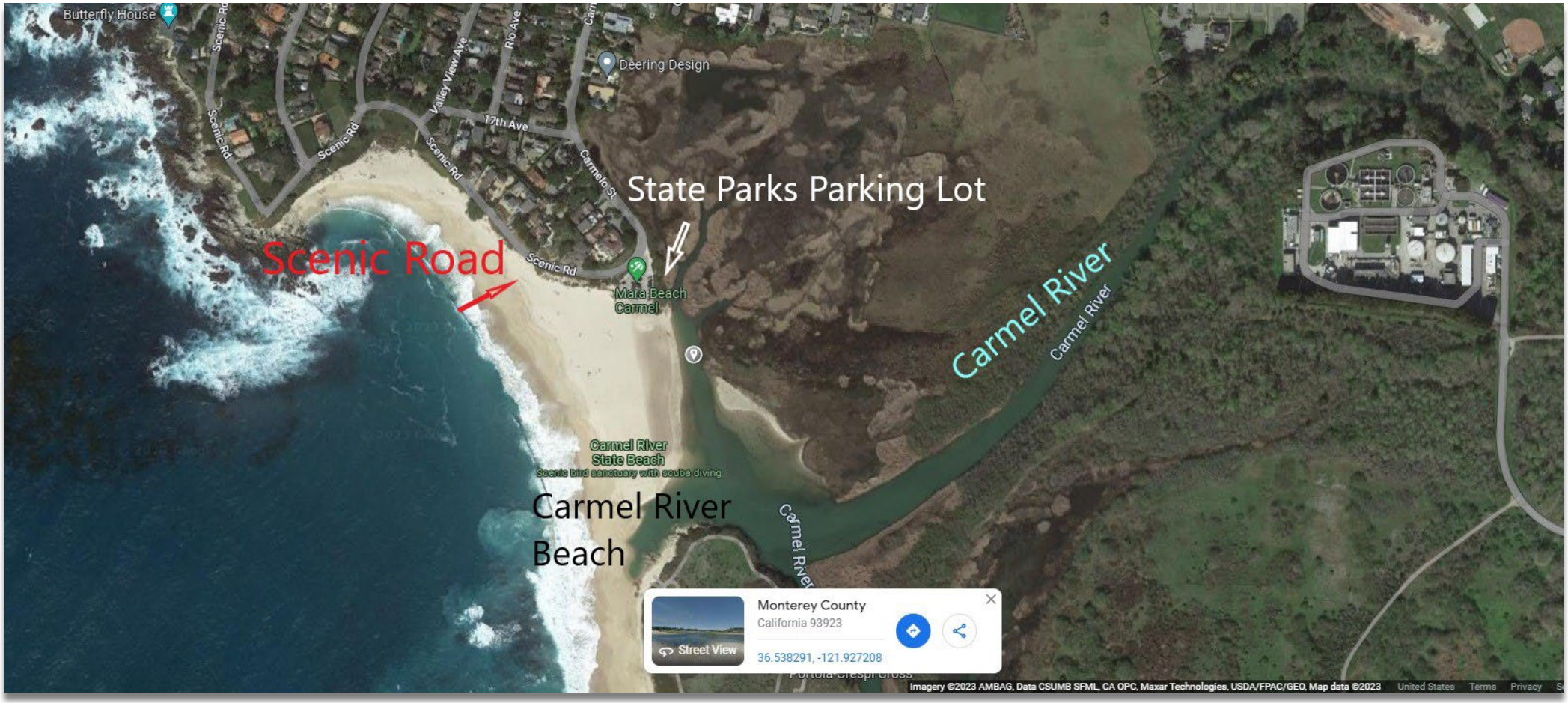
Entity responsible for maintenance:	County of Monterey PWFP
Number of years of maintenance:	Approximately 50 years
Project building/facility/area:	Scenic Road Protection Structure on Carmel River State Beach
Past Annual Maintenance amount:	Varies depending on threats to infrastructure assets and types of maintenance or repair required $150,000 - $2.6 million.
Past maintenance tasks involved:	Episodic maintenance and repairs to protect infrastructure assets and residences
Future maintenance tasks involved:	Annual SRPS inspection and preventative maintenance
Future maintenance schedule and cost:	Approximately $7,000 annually
Source of future maintenance funds:	PWFP Road Fund

Please contact Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks at ishiir@countyofmonterey.gov with any questions.

Sincerely,

Randell Ishii, MS, PE, TE, PTOE
Director of Public Works, Facilities and Parks

ATTACHMENT C



Location Map- Scenic Road Protection Structure

Introduced: 8/14/2025

Current Status: Public Works, Facilities & Parks - Consent

Version: 1

Matter Type: BoS Agreement

a. Approve Professional Services Agreement with Wallace Group, a California Corporation to provide professional engineering services for the Chualar Wastewater Consolidation Project, Project No. C-06-8676-110, Request for Proposals #10951, for an initial term of three years from August 26, 2025 to August 25, 2028, with the option to extend the Agreement for two additional years, for an amount not to exceed $571,942 and
b. Authorize the Contracts & Purchasing Officer or their designee to execute the Professional Services Agreement and future amendments to the Agreement where the amendments do not significantly alter the scope of work or increase the amount by more than 10% ($57,194) of the original approved Agreement amount of $571,942 bringing the potential overall aggregate not to exceed amount to $629,136 subject to review and approval as to form by the Office of the County Counsel and as to fiscal provisions by the Auditor-Controller's Office.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Approve Professional Services Agreement with Wallace Group, a California Corporation to provide professional engineering services for the Chualar Wastewater Consolidation Project, Project No. C-06-8676-110, Request for Proposals #10951, for an initial term of three years from August 26, 2025 to August 25, 2028, with the option to extend the Agreement for two additional years, for an amount not to exceed $571,942 and
b. Authorize the Contracts & Purchasing Officer or their designee to execute the Professional Services Agreement and future amendments to the Agreement where the amendments do not significantly alter the scope of work or increase the amount by more than 10% ($57,194) of the original approved Agreement amount of $571,942 bringing the potential overall aggregate not to exceed amount to $629,136 subject to review and approval as to form by the Office of the County Counsel and as to fiscal provisions by the Auditor-Controller's Office.

SUMMARY/DISCUSSION:
On February 18, 2025, the Board of Supervisors (Board) approved acceptance of a $2.5 million planning grant from the State of California, Clean Water State Revolving Fund (CWSRF) grant program for preliminary design and environmental work for County Service Area (CSA) 75 - Chualar Wastewater Consolidation Project (Project). For several years, the County of Monterey, Department of Public Works, Facilities and Parks (PWFP) has been interested in assessing the feasibility of connecting the Chualar Wastewater Collection System (Chualar System) to the Monterey One Water (M1W) Regional Sewer System through a potentially cost-effective, regulatory compliant, environmentally superior and sustainable process (consolidation). Consolidation would involve conveying wastewater in a new sewer pipeline from Chualar to the City of Salinas' Sewer Collection System where it can then be delivered to M1W's

treatment facility in Marina for potential re-use. Consolidation with M1W's treatment system allows the existing treatment component of the Chualar System to be eliminated and could allow other disconnected users along the new pipeline route to also connect to the regional treatment system.

The CWSRF grant will be used to evaluate two general options for the Chualar System. Option 1 is to Consolidate wastewater flows with the M1W system through the Salinas Sewer Collection System as described above. The evaluation will analyze several routes for the location of a new pipeline, assessing communities and properties that could connect to the M1W system in the future. Option 2 is to repair/upgrade the existing Chualar treatment plant. The evaluation for this option will also investigate constructing a new treatment plant in Chualar to replace the existing plant.

On March 27, 2025, PWFP solicited proposals from qualified consultants through RFP #10951 (Attachments D and E). On April 25, 2025, proposals were received from two consultants. The competitive selection process was conducted in accordance with County policies and State and Federal laws under RFP #10951. As a result of this competitive process, Wallace Group, a California Corporation, (Wallace Group) was selected to provide professional engineering services to complete Phase 1 of the Project to prepare the Project Report and Preliminary Design. Award of future tasks under Phase 2 of the CWSRF grant will be initiated upon completion of the Project Report, selection of the preferred construction project, and authorization by CWSRF to proceed with the chosen alternative.

Request for Proposals (RFP) #10951 for this Project addressed Phase 1 of the Project only. Wallace Group will prepare a Project Report and Preliminary Design (Phase 1) which will analyze Project Options 1 and 2 presented above and include sufficient information to identify a preferred Project Option.

Future Project Phases

Upon authorization by CWSRF for the preferred Project Option identified in Phase 1, the remaining planning and preliminary design (30%) Project tasks (Phase 2) will be completed under separate contract and funded by the $2.5 million CWSRF Planning Grant. The Project Report (Phase 1) and preliminary 30% design (Phase 2) will be used to submit a subsequent application to the State Water Resources Control Board (SWRCB) Division of Financial Assistance to request approximately $15 to $25 million to fund the construction of the Project.

$ 2.5 M Planning Grant
Phase 1 - Project Report and Preliminary Design (10%)
Phase 2 - Planning and Preliminary Design (30%) of Preferred Alternative
$ t.b.d. Construction Grant
Final Project Design (100%) and Construction

CWSRF Grant Agreement No. D2401012 (Attachment F) stipulates that the planning,

environmental and preliminary design components of the Project shall be completed by June 30, 2027, with final reimbursement requests completed by September 30, 2028. After completion of the Planning Grant, a Construction Grant application will be submitted to CWSRF for final design and construction of the selected project.

PWFP staff recommends the Board approve the Professional Services Agreement (PSA) with Wallace Group (Attachment A) for professional engineering services for an initial term of three years effective August 26, 2025 to August 25, 2028, with the option to extend the PSA two additional years, for an amount not to exceed $571,942.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and the Auditor-Controller's Office have reviewed and approved the PSA as to form and fiscal provisions, respectively. The City of Salinas and M1W are essential partners in this effort and will be involved in coordination of the consolidation project option. Intergovernmental Agreements with both agencies will be required if the consolidation project is the preferred alternative. The SWRCB Division of Financial Assistance is also involved in implementing and processing the CWSRF Grant Agreement.

Other agencies such as Caltrans, Union Pacific Railroad, the United States Environmental Protection Agency, the United States Army Corps of Engineers, the California Central Coast Regional Water Quality Control Board, Local Agency Formation Commission, and the County of Monterey Water Resources Agency may also be involved, depending upon the preferred project and recommended alignment.

FINANCING:
The total preliminary estimated cost of the Project, including design engineering, environmental, right of way, utilities and construction is $27,500,000. The County has secured funds in the amount of $2,500,000 from CWSRF to fund the Project Environmental Planning/Design and develop/submit a CWSRF Financial Assistance Application for Construction grant program to request potentially $25,000,000 to fund the construction and construction management portion of the Project. Please refer to Attachment B, Project Budget, for further details.

This Project is included in the County's current 5-Year Capital Improvement Program. Work on Phase 1 of the Project will begin immediately upon execution of the PSA, continuing potentially through August, 2028. The subject PSA (Attachment A) is fully funded by the CWSRF grant; matching funds are not required from the County. Should changes on expected funding occur as the Project progresses, staff will return to the Board for direction as necessary.

Because the grant is structured to reimburse the County after expenses have been incurred, a temporary loan from the General Fund may be needed to cover costs until reimbursements have been received. Should this become necessary, staff will seek support of the Budget Committee and return to the Board to request approval of a temporary loan.

Prepared by: Thomas Harty, PE, Senior Civil Engineer, (831) 759-6603
Reviewed by: Benny Young, PE, Management Specialist

Enrique Saavedra, PE, Chief of Public Works
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachments are on file with the Clerk of the Board:
Attachment A - Proposed PSA
Attachment B - Project Budget
Attachment C - Location Map
Attachment D - RFP #10951
Attachment E - Addendums No. 1-2 to RFP #10951
Attachment F - CWSRF Grant Agreement No. D2401012

Introduced: 8/14/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

a. Approve Professional Services Agreement with Wallace Group, a California Corporation to provide professional engineering services for the Chualar Wastewater Consolidation Project, Project No. C-06-8676-110, Request for Proposals #10951, for an initial term of three years from August 26, 2025 to August 25, 2028, with the option to extend the Agreement for two additional years, for an amount not to exceed $571,942 and
b. Authorize the Contracts & Purchasing Officer or their designee to execute the Professional Services Agreement and future amendments to the Agreement where the amendments do not significantly alter the scope of work or increase the amount by more than 10% ($57,194) of the original approved Agreement amount of $571,942 bringing the potential overall aggregate not to exceed amount to $629,136 subject to review and approval as to form by the Office of the County Counsel and as to fiscal provisions by the Auditor-Controller's Office.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Approve Professional Services Agreement with Wallace Group, a California Corporation to provide professional engineering services for the Chualar Wastewater Consolidation Project, Project No. C-06-8676-110, Request for Proposals #10951, for an initial term of three years from August 26, 2025 to August 25, 2028, with the option to extend the Agreement for two additional years, for an amount not to exceed $571,942 and
b. Authorize the Contracts & Purchasing Officer or their designee to execute the Professional Services Agreement and future amendments to the Agreement where the amendments do not significantly alter the scope of work or increase the amount by more than 10% ($57,194) of the original approved Agreement amount of $571,942 bringing the potential overall aggregate not to exceed amount to $629,136 subject to review and approval as to form by the Office of the County Counsel and as to fiscal provisions by the Auditor-Controller's Office.

SUMMARY/DISCUSSION:
On February 18, 2025, the Board of Supervisors (Board) approved acceptance of a $2.5 million planning grant from the State of California, Clean Water State Revolving Fund (CWSRF) grant program for preliminary design and environmental work for County Service Area (CSA) 75 - Chualar Wastewater Consolidation Project (Project). For several years, the County of Monterey, Department of Public Works, Facilities and Parks (PWFP) has been interested in assessing the feasibility of connecting the Chualar Wastewater Collection System (Chualar System) to the Monterey One Water (M1W) Regional Sewer System through a potentially cost-effective, regulatory compliant, environmentally superior and sustainable process (consolidation). Consolidation would involve conveying wastewater in a new sewer pipeline from Chualar to the City of Salinas' Sewer Collection

System where it can then be delivered to M1W's treatment facility in Marina for potential re-use. Consolidation with M1W's treatment system allows the existing treatment component of the Chualar System to be eliminated and could allow other disconnected users along the new pipeline route to also connect to the regional treatment system.

The CWSRF grant will be used to evaluate two general options for the Chualar System. Option 1 is to Consolidate wastewater flows with the M1W system through the Salinas Sewer Collection System as described above. The evaluation will analyze several routes for the location of a new pipeline, assessing communities and properties that could connect to the M1W system in the future. Option 2 is to repair/upgrade the existing Chualar treatment plant. The evaluation for this option will also investigate constructing a new treatment plant in Chualar to replace the existing plant.

On March 27, 2025, PWFP solicited proposals from qualified consultants through RFP #10951 (Attachments D and E). On April 25, 2025, proposals were received from two consultants. The competitive selection process was conducted in accordance with County policies and State and Federal laws under RFP #10951. As a result of this competitive process, Wallace Group, a California Corporation, (Wallace Group) was selected to provide professional engineering services to complete Phase 1 of the Project to prepare the Project Report and Preliminary Design. Award of future tasks under Phase 2 of the CWSRF grant will be initiated upon completion of the Project Report, selection of the preferred construction project, and authorization by CWSRF to proceed with the chosen alternative.

Request for Proposals (RFP) #10951 for this Project addressed Phase 1 of the Project only. Wallace Group will prepare a Project Report and Preliminary Design (Phase 1) which will analyze Project Options 1 and 2 presented above and include sufficient information to identify a preferred Project Option.

Future Project Phases

Upon authorization by CWSRF for the preferred Project Option identified in Phase 1, the remaining planning and preliminary design (30%) Project tasks (Phase 2) will be completed under separate contract and funded by the $2.5 million CWSRF Planning Grant. The Project Report (Phase 1) and preliminary 30% design (Phase 2) will be used to submit a subsequent application to the State Water Resources Control Board (SWRCB) Division of Financial Assistance to request approximately $15 to $25 million to fund the construction of the Project.

$ 2.5 M Planning Grant
Phase 1 - Project Report and Preliminary Design (10%)
Phase 2 - Planning and Preliminary Design (30%) of Preferred Alternative
$ t.b.d. Construction Grant
Final Project Design (100%) and Construction

CWSRF Grant Agreement No. D2401012 (Attachment F) stipulates that the planning, environmental and preliminary design components of the Project shall be completed by June 30, 2027, with final reimbursement requests completed by September 30, 2028. After completion of the Planning Grant, a Construction Grant application will be submitted to CWSRF for final design and construction of the selected project.

PWFP staff recommends the Board approve the Professional Services Agreement (PSA) with Wallace Group (Attachment A) for professional engineering services for an initial term of three years effective August 26, 2025 to August 25, 2028, with the option to extend the PSA two additional years, for an amount not to exceed $571,942.

OTHER AGENCY INVOLVEMENT:
The Office of the County Counsel and the Auditor-Controller's Office have reviewed and approved the PSA as to form and fiscal provisions, respectively. The City of Salinas and M1W are essential partners in this effort and will be involved in coordination of the consolidation project option. Intergovernmental Agreements with both agencies will be required if the consolidation project is the preferred alternative. The SWRCB Division of Financial Assistance is also involved in implementing and processing the CWSRF Grant Agreement.

Other agencies such as Caltrans, Union Pacific Railroad, the United States Environmental Protection Agency, the United States Army Corps of Engineers, the California Central Coast Regional Water Quality Control Board, Local Agency Formation Commission, and the County of Monterey Water Resources Agency may also be involved, depending upon the preferred project and recommended alignment.

FINANCING:
The total preliminary estimated cost of the Project, including design engineering, environmental, right of way, utilities and construction is $27,500,000. The County has secured funds in the amount of $2,500,000 from CWSRF to fund the Project Environmental Planning/Design and develop/submit a CWSRF Financial Assistance Application for Construction grant program to request potentially $25,000,000 to fund the construction and construction management portion of the Project. Please refer to Attachment B, Project Budget, for further details.

This Project is included in the County's current 5-Year Capital Improvement Program. Work on Phase 1 of the Project will begin immediately upon execution of the PSA, continuing potentially through August, 2028. The subject PSA (Attachment A) is fully funded by the CWSRF grant; matching funds are not required from the County. Should changes on expected funding occur as the Project progresses, staff will return to the Board for direction as necessary.

Because the grant is structured to reimburse the County after expenses have been incurred, a temporary loan from the General Fund may be needed to cover costs until reimbursements have been received. Should this become necessary, staff will seek support of the Budget Committee and return to the Board to request approval of a temporary loan.

Prepared by: Thomas Harty, PE, Senior Civil Engineer, (831) 759-6603
Reviewed by: Benny Young, PE, Management Specialist
Enrique Saavedra, PE, Chief of Public Works
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachments are on file with the Clerk of the Board:
Attachment A - Proposed PSA
Attachment B - Project Budget
Attachment C - Location Map
Attachment D - RFP #10951
Attachment E - Addendums No. 1-2 to RFP #10951
Attachment F - CWSRF Grant Agreement No. D2401012

Attachment A

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COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES WITH SURVEYORS, ARCHITECTS, ENGINEERS & DESIGN PROFESSIONALS

This Professional Services Agreement ("Agreement") is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:
Wallace Group, a California Corporation,
(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **SERVICES TO BE PROVIDED.** The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The services are generally described as follows:
Provide professional engineering services for the Chualar Wastewater Consolidation Project No. C-06-8676-110.

2. **PAYMENTS BY COUNTY.** County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of $571,942.

3. **TERM OF AGREEMENT.** The term of this Agreement is from August 26, 2025 **to** August 25, 2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and CONTRACTOR may not commence work before County signs this Agreement.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions
Exhibit B Incorporation of Request for Proposals #10951, Addendums No. 1 and No. 2 to RFP #10951, and Proposal Documents, on file with the Department of Public Works, Facilities and Parks
Exhibit C Clean Water Planning Loan (Principal Forgiveness) Agreement No. D2401012 between the County of Monterey and the California State Water Resources Control Board
Exhibit D Clean Water Planning Loan Agreement No. D2401012 Line Item Budgets and Schedule

5. **PERFORMANCE STANDARDS.**

5.01. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed

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under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.01. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to County. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the County may require. The Contract Administrator or his or her designee shall certify the invoice; either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.02. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

7. TERMINATION.

7.01. During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02. The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

8. INDEMNIFICATION.

8.01 For purposes of the following indemnification provisions ("Indemnification Agreement"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification Agreement is found to be invalid, in violation of public policy or unenforceable to any extent, such finding shall not invalidate any other term or provision of this Indemnification Agreement and such other terms and provisions

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shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this Indemnification Agreement and the provisions of California Civil Code Sections 2782 or 2782.8, the broadest indemnity protection for County under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

8.02 Indemnification for Design Professional Services Claims:
CONTRACTOR shall indemnify, defend and hold harmless County, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of CONTRACTOR, its employees, subcontractors, and agents in the performance of design professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or willful misconduct of County, or defect in a design furnished by County, but in no event shall the amount of such CONTRACTOR's liability exceed such CONTRACTOR's proportionate percentage of fault as determined by a court, arbitrator or mediator, or as set out in a settlement agreement. In the event one (1) or more defendants to any action involving such claim or claims against County is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, such CONTRACTOR shall meet and confer with the other parties to such action regarding unpaid defense costs.

8.03 Indemnification for All Other Claims or Loss:
For any claim, loss, injury, damage, expense or liability other than claims arising out of CONTRACTOR's performance of design professional services under this Agreement, CONTRACTOR shall indemnify, defend and hold harmless County, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, arising from or related to the performance of services under this Agreement by CONTRACTOR, its employees, subcontractors or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of County, or defect in a design furnished by County.

9. INSURANCE.

9.01 Evidence of Coverage:
Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Division, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the County. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

9.02 Qualifying Insurers:
All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A VII, according to the current A.M.

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Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

9.03 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

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If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

9.04 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:
The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

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Contractor's Initials Date

Primary Coverage: except for Professional Liability and Workers Compensation
For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

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Contractor's Initials Date

Workers' Compensation Waiver of Subrogation:
The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

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Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance and endorsements with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

10.01 Confidentiality. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02 County Records. When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03 Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04 Access to and Audit of Records. The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

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10.05 Royalties and Inventions. County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

10.06 Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

11. **NON-DISCRIMINATION.** During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT.** If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13. **COMPLIANCE WITH APPLICABLE LAWS.**

13.01 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this Agreement as well as any privacy laws including, if applicable, Health Insurance Portability and Accountability Act (HIPAA). CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices require by law in the performance of the Services.

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13.02 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.03 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability, which County may incur because of CONTRACTOR's failure to pay such taxes.

15. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR's Contract Administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Thomas Harty, PE, Senior Civil Engineer	Kari Wagner, PE, Principal
Name and Title	Name and Title
1441 Schilling Place, South 2nd Floor Salinas, California 93901-4527	612 Clarion Court San Luis Obispo, California 93401
Address	Address
(831) 759-6603	(805) 544-4011
Phone	Phone

16. **MISCELLANEOUS PROVISIONS.**

16.01 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

16.02 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

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16.04 Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.

16.10 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

16.11 Non-exclusive Agreement. This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 Construction of Agreement. The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 Authority. Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.14 Integration. This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

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16.15 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

16.16 Independent Contractor Compliance with Government Code Section 1097.6 (c). This section applies to those situations when a contractor/consultant is awarded a Contract for a preliminary phase of a project, with future phases to be bid separately. This section does not apply to those situations when a Contract is awarded for multiple phases of a project under a single contract/proposal. When applicable, and as described below, contractor/consultant's duties and services under this agreement shall not include preparing or assisting the public entity with any portion of the public entity's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the public entity. The public entity entering this agreement shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. Contractor/consultant's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. Contractor/consultant shall cooperate with the public entity to ensure that all bidders for a subsequent contract on any subsequent phase of this project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by contractor pursuant to this agreement.

17. CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.01 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 USC Section 7001 *et seq.*; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.02 Counterparts. The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in PDF via email transmittal.

17.03 Form: Delivery by E-Mail or Facsimile. Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in PDF by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

********** THIS SECTION INTENTIONALLY LEFT BLANK **********

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IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer
Date: _____

By: _____
Department Head (if applicable)
Date: _____

By: _____
Board of Supervisors (if applicable)
Date: _____

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: Signed by: Michael Whilden 2C6F38174D4940D...
County Counsel
Date: 8/14/2025 | 3:09 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor/Controller
Date: 8/14/2025 | 3:55 PM PDT

Reviewed as to Liability Provisions
Office of the County Counsel-Risk Management[3]

By: DocuSigned by: David Bolton 3E7A8EF11DD8446...
David Bolton, Risk Manager
Date: 8/14/2025 | 2:57 PM PDT

CONTRACTOR

Wallace Group, a California Corporation
Contractor's Business Name*

By: DocuSigned by: Brad Brechwald C9764DF788DB47D...
(Signature of Chair, President, or Vice-President)*

Brad Brechwald, President
Name and Title
Date: 8/14/2025 | 1:19 PM PDT

By: DocuSigned by: Kari Wagner 6B87026129B14E0...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)*

Kari Wagner, Secretary
Name and Title
Date: 8/14/2025 | 12:49 PM PDT

County Board of Supervisors' Agreement Number: _____.

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code § 313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of County Counsel is required.
[2]Approval by Auditor/Controller is required.
[3]Review by Risk Manager is required only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

To Agreement by and between
County of Monterey, hereinafter referred to as "County"
and
Wallace Group, a California Corporation, hereinafter referred to as "CONTRACTOR"

A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide professional engineering services for the Chualar Wastewater Consolidation, Project No. C-06-8676-110 including Project Report and Preliminary Design to evaluate two (2) Project Options to identify and advance a preferred Project Option (Project) to ten percent (10%) design and complete the Project Report. CONTRACTOR shall provide the Project Report and Preliminary Design ten percent (10%) to the County and State Water Resources Control Board (SWRCB) as required in the Clean Water Planning Loan (Principal Forgiveness) Agreement between the County and SWRCB (See Exhibit C of this AGREEMENT).

CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

CONTRACTOR's Minimum Work Performance Percentage**:** CONTRACTOR shall perform with his own organization AGREEMENT work amounting to not less than fifty percent (50%) of the original total AGREEMENT price. CONTRACTOR shall not assign, subcontract, sell, or otherwise transfer its interest or obligations in this AGREEMENT without the prior written consent of County.

Task 0: Project Administration

CONTRACTOR shall provide project administration including the following: communicate with the SWRCB and subcontractors, submit disbursement requests, submit progress reports, and detailed and accurate record keeping to fulfill requirements described in Scope Item 8, Project Administration of the Clean Water Planning Loan Agreement between the County and SWRCB (Exhibit C).

Task 0.1 Project Management

CONTRACTOR shall provide day-to-day coordination of project activities, including scheduling and budget controls, staffing needs and coordination, County and SWRCB coordination, monthly status updates and reporting, and other related project management activities throughout the seven (7) month schedule duration, as illustrated in the Section A.2 of this Exhibit A.

Task 0.2 Kick-off Meeting

CONTRACTOR shall coordinate, schedule, facilitate, and attend a kick-off meeting with CONTRACTOR's team, Harris & Associates, Inc. (Harris) (CONTRACTOR's subcontractor), County team, and other stakeholders recommended by the County.

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CONTRACTOR shall prepare the meeting agenda and minutes. CONTRACTOR shall provide an overview of the project objectives, scope of services, schedule, deliverables, and other components of the Project to define Project direction. CONTRACTOR shall coordinate with attendees to request information required to complete the Project Report. CONTRACTOR shall provide agenda and preliminary list of requested items to County prior to the kick-off meeting to initiate the information collection process.

Task 0.3 Project Meetings

CONTRACTOR shall coordinate, schedule, facilitate, attend, prepare agendas, and meeting minutes for the project meetings and prepare responses to comments received during deliverable review meetings.

Task 0.4 Quality Control/Quality Assurance (QA/QC)

CONTRACTOR shall provide in-house QA/QC at each milestone deliverable stage. CONTRACTOR shall provide a comprehensive QA/QC review of project research, data, calculations, and report by senior or principal engineers at each milestone.

Task 0 Deliverables:

- Monthly Project status updates and reporting
- Coordinate, schedule, facilitate and attend Kickoff Meeting
- Coordinate, schedule and facilitate project meetings including County, CONTRACTOR's team, and required agencies and stakeholders
- Meeting agendas (PDF)
- Meeting minutes and responses to comments (PDF)
- Draft Project Report meeting (two [2] virtual meetings)
- Final Project Report meeting (one [1] virtual meeting)

Task 1: Project Report and Preliminary Design

Task 1.1 Project Report

CONTRACTOR shall provide a Project Report as required by the Clean Water Planning Loan Agreement between the County and SWRCB (Exhibit C). The Project Report shall define and evaluate the following Project Options to improve the Chualar Wastewater Treatment Plant (WWTP):

Project Option 1: Repair/upgrade the Chualar WWTP or construct a new WWTP.

Project Option 2: Connect the Chualar wastewater collection system with the City of Salinas wastewater collection system for treatment at the Monterey One Water Regional Treatment Plant and Recycling Facility. This option shall also evaluate options for connecting additional parcels outside the existing Chualar wastewater collection system.

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The Project Report shall include evaluation of existing system conditions, identify required permits, environmental and design work, financial analysis, project schedule, and budget (construction budget and 20-year life cycle costs) for Project Options 1 and 2.

CONTRACTOR shall include the following in the Project Report to evaluate the proposed facilities: lift station and pipeline design elements (pumps, pipeline alignment, diameter and material), electrical supply and capacity, and other key design elements, routing/alignment evaluation, review and identify easement and right of way requirements for temporary construction access and permanent/long-term access rights, review hydraulic conditions, recommendations for valving and other appurtenances, pipeline material selection, and Engineer's Opinion of Probable Construction Cost estimate. The evaluation and analysis shall include the following for Project Options 1 and 2:

- Project Costs
  - ◊ Design
  - ◊ Permitting and environmental
  - ◊ Easements/acquisitions (temporary and permanent)
  - ◊ Administrative
  - ◊ LAFCO and Proposition 218
  - ◊ Alternative option construction
  - ◊ WWTP decommissioning
  - ◊ Cost share for upgrades to City of Salinas sewer collection system
- Life Cycle and Proposed Rate Structure
  - ◊ Existing operations and maintenance for collection system
  - ◊ Projected operations and maintenance for entire system
  - ◊ Electrical costs
  - ◊ Staffing needs (identify licensure requirements)
  - ◊ Debt service
  - ◊ Capital Improvement program
  - ◊ Reserve account
  - ◊ Regulatory permitting

CONTRACTOR shall coordinate with County, City of Salinas, and Monterey One Water staff throughout the development of the Project Report to establish design criteria, standards, permit requirements, existing operating conditions, existing capacity, and other aspects of the Project in addition to review of as-built documentation and utility atlas maps to understand existing conditions.

CONTRACTOR shall review County design standards related to water mains and sanitary sewerage facilities, and develop preliminary criteria to develop the utility design, including:

- Force main average and maximum velocities
- Force main service pressure ranges, recommended pipe material and pressure class
- Appurtenances including air relief valves (ARVs), blowoffs, and isolation valves
- Hydraulic grade line
- Proposed pipeline alignments

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The Project Report will identify potential funding sources and include preliminary rate estimates under each Project Option. A 20-year life cycle cost will be included as part of the financial analysis.

CONTRACTOR's evaluation shall include the following investigations: paper survey, geotechnical, and environmental. CONTRACTOR shall identify the primary constraints regarding access and easement issues, geotechnical considerations, permitting, and biological and/or cultural resources for Project Options 1 and 2 to inform the ten percent (10%) preliminary design.

CONTRACTOR shall prepare a Draft Project Report for County and SWRCB review and comment prior to completion of the Final Project Report. CONTRACTOR shall review and respond to the comments received and prepare responses to comments in tabular format for County and SWRCB review. CONTRACTOR shall coordinate and attend two (2) meetings to review and discuss the comments and responses to the Draft Project Report and perform necessary text revisions to incorporate into the Final Project Report. CONTRACTOR shall coordinate and attend a third and final meeting with CONTRACTOR's team, County, and SWRCB prior to issuing the Final Project Report to review the report and findings. The Final Project Report shall include and comply with all requirements for a Clean Water State Revolving Fund (CWSRF) Financial Assistance Application for Construction and Clean Water Planning Loan Agreement between the County and SWRCB (See Exhibit C of this AGREEMENT).

Task 1.2 Preliminary Design

CONTRACTOR shall include Preliminary Design Plans ten percent (10%) for Project Options 1 and 2 in the Project Report developed under Task 1.1. The preliminary design shall include facility and equipment sizing, siting, and alignments of proposed force mains to determine requirements for easements and environmental review in subsequent planning stages. Preliminary Design Plans (10%) shall include horizontal plan view layouts only and will not include grading/drainage design, detail sheets, traffic control, and erosion and sediment control. CONTRACTOR shall develop Preliminary Design Plans (10%) at a scale sufficient to define design intent and provide sufficient information for desktop survey and environmental review. CONTRACTOR shall utilize publicly available topographic data for the Preliminary Design Plans (Topographic survey is not included under this task.)

CONTRACTOR's Final Project Report shall include sufficient detail to identify a selected Project Option and based on the results of the analysis performed as part of the Project Report and Preliminary Design (10%). CONTRACTOR shall provide a comparative analysis between Project Options 1 and 2 based on life cycle costs, survey/access, geotechnical, environmental, and other pertinent constraints and in accordance with Project Report requirements for a CWSRF Financial Assistance Application for Construction. CONTRACTOR shall submit the Final Project Report to the County and SWRCB for review. The selected Project Option (Project) will advance to Task 2 only after the following conditions are met: Selected Project Option is approved by County and SWRCB in writing, and CONTRACTOR obtains all necessary written approvals for the Project required for a CWSRF Financial Assistance Application for Construction.

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Commencement of Task 2 is not included in the Scope of this proposal. Tasks 2-7 are included in Phase 2 of the Clean Water Planning Loan Agreement between the County and SWRCB (See Exhibit C of this AGREEMENT).

Task 1 Deliverables:
- Draft Project Report (PDF format)
- Preliminary Design Plans - 10% (PDF format)
- Final Project Report (PDF format)
- Environmental Constraints Analysis (PDF format)

All written reports required under this Agreement must be delivered electronically and in hardcopy to the following individual in accordance with the Project schedule outlined herein:

Thomas Harty, PE
County of Monterey, Department of Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas, California 93901-4527
Email: hartytr@countyofmonterey.gov

A.2 CONTRACTOR shall produce the following deliverables by the dates indicated below:

Item	Description of Submittal	Estimated Due Date
1	Project Report and Preliminary Design (10%)	
	a) Draft Project Report	March 31, 2026
	b) Final Project Report	July 31, 2026

B. PAYMENT PROVISIONS

B.1 COMPENSATION/PAYMENT

County shall pay an amount not to exceed **$571,942**, for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Services. CONTRACTOR's compensation for services rendered shall be based on the following rates or in accordance with the following terms:

County and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the "County Travel Policy". A copy of the policy is available online at https://www.countyofmonterey.gov/home/showdocument?id=69364. To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

County and CONTRACTOR agree that CONTRACTOR and its subcontractors shall be reimbursed for mileage based upon the Internal Revenue Service (IRS) standard business mileage rate at the time of travel.

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Under California Labor Code sections 1720 et seq., a contract for some or all of the work contemplated by this RFP may be considered a public work. If applicable, CONTRACTOR shall comply with provisions of the Labor Code (sections 1720 et seq.) governing public works, including payment of prevailing wages, payroll records, and employment of apprentices. Copies of the determination of the general prevailing rate of per diem wages are available to interested parties at:
http://www.dir.ca.gov/public-works/prevailing-wage.html

Travel expenses for Federally Funded projects shall be reimbursed in accordance with California Department of Human Resources' (CalHR) rates https://hrmanual.calhr.ca.gov/Home/ManualItem/1/2201

CONTRACTOR warrants that the cost charged for services under the terms of this Agreement are not in excess of those charged to any other client for the same services performed by the same individuals.

B.2 CONTRACTOR'S BILLING PROCEDURES

Invoices under this Agreement shall be submitted monthly and promptly, and in accordance with Section 6, "Payment Conditions", of the Agreement. All invoices shall reference the Multi-Year Agreement (MYA) number, Project name, and/or services, and associated Delivery Order (DO) number, and an original hardcopy shall be sent to the following address or via email to PWFP-Finance-AP@countyofmonterey.gov:

County of Monterey
Department of Public Works, Facilities and Parks (PWFP) – Finance Division
1441 Schilling Place, South 2nd Floor
Salinas, California 93901-4527

Any questions pertaining to invoices under this Agreement shall be directed to the PWFP Finance Division at (831) 755-4800 or via email to: PWFP-Finance-AP@countyofmonterey.gov.

County may, in its sole discretion, terminate the Agreement or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

County shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

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EXHIBIT A - SCOPE OF SERVICES/PAYMENT PROVISIONS

Wallace Group Team Resource Estimate for the
County of Monterey - Chualar WW Study — **BUDGET SUMMARY**

PHASE / TASK No.	TASK DESCRIPTION	PRINCIPAL HRS	PRINCIPAL ENGINEER HRS	DIRECTOR HRS	SENIOR ENGINEER III HRS	SENIOR ENGINEER II HRS	SENIOR ENGINEER I HRS	ENGINEER II HRS	ASSOCIATE ENGINEER II HRS	SENIOR LAND SURVEYOR II HRS	LAND SURVEYOR II HRS	PROJECT ASSISTANT III HRS	HARRIS & ASSOC. COST	EARTH SYSTEMS PACIFIC COST	OTTO ELECTRICAL COST	TUCKFIELD COST	Misc. Direct Costs COST	TOTAL LABOR HOURS HRS	WG LABOR $	TOTAL COST $
	RATE	$280	$255	$228	$225	$218	$210	$183	$150	$203	$180	$145								
0	Project Administration																			
0.1	Project Management	18				42						4	$6,500					64	$14,776	$21,276
0.2	Kick Off Meeting	6				8							$3,560				$163	14	$3,424	$7,147
0.3	Project Meetings	32				60	40	40	40				$14,000				$163	212	$43,760	$57,923
0.4	QA/QC	32	40		40								$13,190					112	$28,160	$41,350
1	Project Report and Preliminary Design																			
1.1	Project Report																			
1.1.1	Draft Project Report	20	32	30		60	40	60	260	40	60		$60,000	$10,000	$5,000	$6,500	$25,000	602	$110,980	$217,480
1.1.2	Final Project Report	4	20	5		24	20	32	120	10	20		$35,685					255	$46,278	$81,963
1.2	Preliminary Design	4				16	30	30	140				$81,300					220	$37,398	$118,698
	SUB-TOTALS	116	92	35	40	210	130	162	560	50	80	4	**$214,235**	**$10,000**	**$5,000**	**$6,500**	**$25,325**	**1,479**		**$545,836**
	WALLACE GROUP LABOR COSTS	$32,480	$23,460	$7,980	$9,000	$45,780	$27,300	$29,646	$84,000	$10,150	$14,400	$580								**$284,776**
	WALLACE GROUP DIRECT COSTS																			**$25,325**
	SUBCONSULTANT DIRECT COSTS																			**$235,735**
	DIRECT COSTS OVERHEAD @																		10%	**$26,106**
	TOTAL																			**$571,942**

Task Budgets may fluctuate within Overall Budget
* Designates Prevailing Wage

WALLACE GROUP CORPORATE

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EXHIBIT B - INCORPORATION OF REQUEST FOR PROPOSALS #10951, ADDENDUMS NO. 1 AND NO. 2 TO RFP #10951, AND PROPOSAL DOCUMENTS

The County invited submittals to Request for Proposals (RFP) through RFP #10951 to provide professional engineering services for the Chualar Wastewater Consolidation Project C-06-8676-110. Wallace Group, a California Corporation (Wallace Group) submitted a responsive and responsible Proposal to perform the services listed in RFP #10951. County selected Wallace Group to provide professional engineering services for the Chualar Wastewater Consolidation Project.

RFP #10951, Addendums No. 1 and 2 to RFP #10951, and the Proposal submitted by Wallace Group are hereby incorporated into this Agreement by this reference.

Clean Water
State Revolving Fund

CLEAN WATER PLANNING LOAN (PRINCIPAL FORGIVENESS)

AGREEMENT NO. D2401012

BY AND BETWEEN

COUNTY OF MONTEREY ("Recipient")

AND

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD ("State Water Board")

CALIFORNIA
Water Boards

FOR THE PURPOSE OF THE

CHUALAR WASTEWATER CONSOLIDATION ("Project")

PROJECT NO. C-06-8676-110

- Section 13475 et seq. of the Water Code, and Resolution Nos. 2024-0026 and 2019-0064.

PROJECT FUNDING AMOUNT: $2,500,000.00
PRINCIPAL FORGIVENESS COMPONENT: $2,500,000.00
ESTIMATED REASONABLE PROJECT COST: $2,500,000.00

ELIGIBLE WORK START DATE: JULY 14, 2021
WORK COMPLETION DATE: JUNE 30, 2028
FINAL REIMBURSEMENT REQUEST DATE: SEPTEMBER 30, 2028
RECORDS RETENTION END DATE: JUNE 30, 2064

1. The State Water Board and the Recipient mutually promise, covenant, and agree to the terms, provisions, and conditions of this Agreement, including the following Exhibits, which are attached hereto or are incorporated by reference:

   - EXHIBIT A – SCOPE OF WORK AND SCHEDULE
   - EXHIBIT B – FUNDING PROVISIONS
   - EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV
   - EXHIBIT D – SPECIAL CONDITIONS

2. The following documents are also incorporated by reference, as well as any documents incorporated by reference in Exhibit D:

   - the Waste Discharge Requirement Order No. R1- 01-038 and any amendments thereto

3. Party Contacts during the term of this Agreement are:

State Water Board		County of Monterey	
Section:	Division of Financial Assistance		
Name:	Matt Chambers, Project Manager	Name:	Randell Ishii, Director of Department of Public Works, Facilities, and Parks
Address:	1001 I Street, 16th Floor	Address:	1441 Schilling Place
City, State, Zip:	Sacramento, CA 95814	City, State, Zip:	Salinas, CA 93901
Phone:	(916) 341-5723	Phone:	(831) 755-4800
Email:	Matthew.Chambers@waterboards.ca.gov	Email:	ishiir@countyofmonterey.gov

Each party may change its contact upon written notice to the other party. While Party Contacts are contacts for day-to-day communications regarding Project work, the Recipient must provide official communications and notices to the Division's Deputy Director in addition to the Party Contacts.

4. Conditions precedent to this Agreement are set forth as follows:
   (a) The Recipient must deliver to the Division a resolution authorizing this Agreement and identifying its authorized representative by title.
   (b) The Recipient must deliver an opinion of general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement.

5. The Recipient represents, warrants, and commits to the following as of the Eligible Work Start Date and continuing thereafter for the term of this Agreement, which shall be at least until the Records Retention End Date:

   (a) The Recipient agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents.

   (b) The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

(c) None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. The Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Recipient is able to pay its debts as they become due. The Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employer liability, professional liability.

(d) The Recipient is in compliance with all State Water Board funding agreements to which it is a party.

6. This Agreement, and any amendments hereto, may be executed and delivered in any number of counterparts, each of which when delivered shall be deemed to be an original, but such counterparts shall together constitute one document. The parties may sign this Agreement, and any amendments hereto, either by an electronic signature using a method approved by the State Water Board or by a physical, handwritten signature. The parties mutually agree that an electronic signature using a method approved by the State Water Board is the same as a physical, handwritten signature for the purposes of validity, enforceability, and admissibility.

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

COUNTY OF MONTEREY:

By: Randell Y. Ishii
Name: Randell Ishii
Title: Director of Public Works, Facilities, and Parks

Date: Dec 23, 2024

STATE WATER RESOURCES CONTROL BOARD:

By: J. Karkoski
Name: Joe Karkoski
Title: Deputy Director
Division of Financial Assistance

Date: Jan 23, 2025

EXHIBIT A – SCOPE OF WORK AND SCHEDULE

A.1 PROJECT PURPOSE AND DESCRIPTION.

The Project is for the benefit of the Recipient. The funding under this Agreement will be used to evaluate options to repair/upgrade the Chualar Wastewater Treatment Plant, construct a new wastewater treatment plant, and to connect the Chualar wastewater collection system with the City of Salinas collection system for treatment at the Monterey One Water Regional Treatment and Recycling Facility. The Project will also evaluate options for connecting additional parcels outside of the existing Chualar wastewater collection system.

The Recipient will complete the necessary preliminary design, environmental documents, and necessary inter-agency agreements for the Selected Construction Project.

A.2 SCOPE OF WORK.

ITEM	DESCRIPTIONS
1	Project Report and Preliminary Design
	1.1 Prepare a Project Report that documents existing system conditions, evaluates project alternatives, and identifies required permits, environmental and design work, schedule, and budget for two possible construction projects. The Project Report will identify possible funding sources and include preliminary rate estimates for each alternative. The Project Report will also evaluate a 20-year life cycle cost as part of the financial analysis. The Project Report will include 10% design plans for the two possible construction projects. The Project Report will identify a Selected Construction Project and will comply with the Project Report requirements for a CWSRF Financial Assistance Application for Construction. Item 1 Submittals: a) Draft Project Report b) Final Project Report
2	Plans and Specifications
	2.1 Complete 30% Plans, Specifications, and Engineer's Opinion of Probable Cost for the Selected Construction Project. Item 2 Submittals: a) 30% Plans and Specifications and Engineer's Opinion of Probable Cost
3	Environmental Documents
	3.1 Complete all necessary environmental documents for the Selected Construction Project, including California Environmental Quality Act (CEQA) and Federal Cross-Cutter Documents, to satisfy the CWSRF Financial Assistance Application for Construction requirements. CEQA Document will include an analysis of environmental alternatives for the Selected Construction Project, unless exempt. Item 3 Submittals: a) Draft Environmental Documents b) Final Environmental Documents

ITEM	DESCRIPTIONS
4	Governance Structure and Agency Agreements (if applicable)
	4.1 Complete the necessary legal work and agency agreements for the Selected Construction Project. Item 4 Submittal: a) Draft Agency Agreements b) Final Agency Agreements
5	Easement Identification
	5.1 Identify the necessary permanent and temporary construction easements needed for the Selected Construction Project. Item 5 Submittal: a) Easement Summary Report
6	Permits and Related Studies
	6.1 Create draft permit applications as identified for the Selected Construction Project in the Project Report. Submit applications as appropriate based on the Project schedule. This line item includes additional studies that may be required to support permit applications. Item 6 Submittal: a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)
7	Financial Assistance Applications
	7.1 Submit a complete CWSRF Financial Assistance Application for Planning or Design. 7.2 Develop a draft Financial Package for the CWSRF Financial Assistance Application for Construction that includes the following: a) CWSRF Potential Flags Worksheet; b) Three years of audited financial statements or tax returns; c) Budget projections for at least the next two fiscal years; d) Rate adoption resolution or a copy of rates; and Schedule of related debt and debt document copies (if applicable), or a letter from the Authorized Representative stating the Recipient has no debt. 7.3 Submit a complete CWSRF Financial Assistance Application for Construction (General, Technical, Environmental, and Financial Packages, including all supporting materials) for the Selected Construction Project. Item 7 Submittal: a) Draft Financial Package for Construction b) Financial Assistance Application for Construction
8	Project Administration
	8.1 Perform necessary project administration duties including communicating with the State Water Board and professional contractors, submitting disbursement requests, submitting progress reports, and record keeping to fulfill the requirements of the Agreement. Item 8 Submittal: N/A

A.3 SCHEDULE.

Failure to provide items by the due dates indicated in the table below may constitute a material violation of this Agreement. The Project Manager may adjust the dates in the "Estimated Due Date" column of this table, but Critical Due Date adjustments will require an amendment to this Agreement. The Recipient must complete and submit all work in time to be approved by the Division prior to the Work Completion Date. As applicable for specific submittals, the Recipient must plan adequate time to solicit, receive, and address comments prior to submitting the final submittal. The Recipient must submit the final Reimbursement Request prior to the Final Reimbursement Request Date set forth on the Cover Page.

ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE
EXHIBIT A – SCOPE OF WORK			
	WORK TO BE PERFORMED BY RECIPIENT		
1	Project Report and Preliminary Design a) Draft Project Report b) Final Project Report	 N/A N/A	 September 30, 2025 December 31, 2025
2	Plans and Specifications a) 30% Draft, Plans, Specifications, and Engineer's Opinion of Probable Cost	N/A	May 31, 2026
3	Environmental Documents a) Draft Environmental Documents b) Final Environmental Documents	 N/A N/A	 July 31, 2026 November 30, 2026
4	Governance Structure and Agency Agreements (if applicable) a) Draft Agency Agreements b) Final Agency Agreements	 N/A N/A	 April 30, 2026 April 30, 2028
5	Easement Identification a) Easement Summary Report	 N/A	 August 10, 2026
6	Permits and Related Studies a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)	 N/A N/A	 February 22, 2027 May 17, 2027
7	Financial Assistance Applications a) Draft Financial Package for Construction b) Financial Assistance Application for Construction	 N/A N/A	 March 31, 2027 June 31, 2027
8	Project Administration N/A	 N/A	 N/A
9	Work Completion Date	June 30, 2028	N/A
EXHIBIT B – REIMBURSEMENTS, BUDGET DETAIL, AND REPORTING PROVISIONS			
	REIMBURSEMENTS		
10	Reimbursement Requests	As Needed	
11	Final Reimbursement Request	September 30, 2028	N/A
	REPORTS		
12	Progress Reports	Quarterly	
13	As Needed Reports.	As Needed	

The Recipient must deliver any request for extension of the Work Completion Date no less than 90 days prior to the Work Completion Date.

The Division may require corrective work to be performed prior to Project Completion. Any work occurring after the Work Completion Date will not be reimbursed under this Agreement.

A.4 PROGRESS REPORTS.

The Recipient must provide a progress report to the Division each quarter, beginning no later than 90 days after execution of this Agreement. The Recipient must provide a progress report with each Reimbursement Request. Failure to provide a complete and accurate progress report may result in the withholding of Project Funds. A progress report must contain the following information:

1) A summary of progress to date including a description of progress since the last report, amount budgeted, amount spent, and percent completion for each task;
2) Statement indicating if all critical due dates are on track;
3) Statement indicating if all deliverable due dates are on track;
4) A description of compliance with any special conditions; and
5) Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.

A.5 DISADVANTAGED BUSINESS ENTERPRISE REPORTS.

The Recipient shall comply with the Disadvantaged Business Enterprises (DBE) requirements in 40 CFR § 33.301 for the Project and require its contractors and subcontractors on the Project to comply. 40 CFR § 33.301 requires the use of good faith efforts to utilize DBE's whenever procuring construction, equipment, services, and supplies. The Recipient must report DBE utilization to the Division on the DBE Utilization Report, State Water Board Form DBE UR334. The Recipient must submit such reports to the Division annually within ten (10) calendar days following October 1 until such time as the "Notice of Completion" is issued.

EXHIBIT B – FUNDING PROVISIONS

B.1 ESTIMATED REASONABLE COST AND PROJECT FUNDS.

The estimated reasonable cost of the total Project is set forth on the Cover Page of this Agreement, and is greater than or equal to the funding anticipated to be provided by the State Water Board under this Agreement. Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds not to exceed the amount of the Project Funding Amount set forth on the Cover Page of this Agreement.

B.2 RECIPIENT CONTRIBUTIONS.

The Recipient must pay any and all costs connected with the Project including, without limitation, any and all Project Costs. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient must nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.

The loan component of this Agreement is forgiven. The estimated amount of principal that will be due to the State Water Board from the Recipient under this Agreement is Zero dollars and no cents ($0.00).

B.3 VERIFIABLE DATA.

Upon request by the Division, the Recipient must submit verifiable data to support deliverables specified in the Scope of Work. The Recipient's failure to comply with this requirement may be construed as a material breach of this Agreement.

B.4 BUDGET COSTS

Budget costs are contained in the Summary Project Cost Table below:

DESCRIPTION	PROJECT FUNDING AMOUNT	TOTAL ESTIMATED COSTS
Project Report and Preliminary Design	$420,000	$420,000
Plans and Specifications	$540,000	$540,000
Environmental Documents	$380,000	$380,000
Governance Structure and Agency Agreements	$310,000	$310,000
Easement Identification	$310,000	$310,000
Permit and Related Studies	$140,000	$140,000
Financial Assistance Applications	$50,000	$50,000
Project Administration	$350,000	$350,000
TOTAL	$2,500,000	$2,500,000

The Division's Form 260 and Form 261 will document a more detailed budget of eligible Project Costs and Project funding amounts.

The Recipient is prohibited from requesting disbursement amounts that represent Recipient's mark-ups to costs invoiced or otherwise requested by consultants or contractors.

Project Costs incurred prior to the Eligible Work Start Date on the cover page of this Agreement are not eligible for reimbursement.

Reasonable indirect costs may be allowable upon approval by the Division.

B.5 LINE ITEM ADJUSTMENTS.

Subject to the prior review and approval of the Division, adjustments between existing budget line items may be used to defray allowable direct costs. Budget adjustments deleting a budget line item or adding a new budget line item shall require a formal amendment. The sum of adjusted line items in the budget must not exceed the total budget amount. The Division may propose budget adjustments.

B.6 REIMBURSEMENT PROCEDURE.

Except as may be otherwise provided in this Agreement, reimbursements will be made as follows:

1. Upon execution and delivery of this Agreement by both parties, the Recipient may request immediate reimbursement of any eligible incurred costs through submission to the State Water Board of the Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed. To be eligible for reimbursement, Project Costs, including planning and design allowance costs, must have been incurred in compliance with all applicable requirements, including the cross-cutting requirements listed in Exhibits C and D.
2. The Recipient must submit a Reimbursement Request for costs incurred prior to the date this Agreement is executed by the State Water Board no later than ninety (90) days after this Agreement is executed by the State Water Board. Late Reimbursement Requests may not be honored.
3. Additional Project Funds will be promptly disbursed to the Recipient upon receipt of Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed by the Recipient for incurred costs consistent with this Agreement, along with receipt of progress reports due under this Agreement.
4. The Recipient must not request reimbursement for any Project Cost until such cost has been incurred and is currently due and payable by the Recipient, although the actual payment of such cost by the Recipient is not required as a condition of Reimbursement Request. Supporting documentation (e.g., receipts) must be submitted with each Reimbursement Request. The amount requested for Recipient's administration costs must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = total amount claimed). Reimbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed Reimbursement Request. Upon request by the Division, supporting documents for professional and administrative services must include the employees' names, classifications, labor rates, hours worked, and descriptions of the tasks performed. Reimbursement Requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.
5. The Division may withhold disbursements where costs incurred do not reflect actual time spent.
6. The Recipient must spend Project Funds within 30 days of receipt. If the Recipient earns interest earned on Project Funds, it must report that interest immediately to the State Water Board. The State Water Board may deduct earned interest from future reimbursements.
7. The Recipient must not request a reimbursement unless that Project Cost is allowable, reasonable, and allocable.
8. The Recipient must submit all draft deliverables prior to reimbursement beyond 70 percent of the Project Funding Amount, and it must submit all final deliverables to the Division prior to reimbursement beyond 90 percent of the Project Funding Amount.
9. Notwithstanding any other provision of this Agreement, no reimbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, policies, or regulations.

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Notwithstanding any other provision of this Agreement, the Recipient agrees that the State Water Board may retain an amount equal to ten percent (10%) of the Project Funding Amount until Project Completion. Any retained amounts due to the Recipient will be promptly disbursed to the Recipient, without interest, upon Project Completion.

B.7 REVERTING FUNDS AND DISENCUMBRANCE.

In the event the Recipient does not submit Reimbursement Requests for all funds encumbered under this Agreement timely, any remaining funds revert to the State. The State Water Board may notify the Recipient that the project file is closed, and any remaining balance will be disencumbered and unavailable for further use under the Agreement

EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV

GENERAL TERMS AND CONDITIONS 2019-NOV is posted at https://www.waterboards.ca.gov/water_issues/programs/grants_loans/general_terms.html and replicated below:

1. DEFINITIONS. Unless otherwise specified in this Agreement, each capitalized term used in this Agreement has the following meaning:

- "Agreement" means this agreement, including all exhibits and attachments hereto.
- "Cover Page" means the front page of this Agreement.
- "Days" means calendar days unless otherwise expressly indicated.
- "Deputy Director" means the Deputy Director of the Division.
- "Division" means the Division of Financial Assistance of the State Water Board or any other division or unit of the State Water Board authorized to administer this Agreement.
- "Event of Default" means the occurrence of any of the following events:
  a) A representation or warranty made by or on behalf of the Recipient in this Agreement or in any document furnished by or on behalf of the Recipient to the State Water Board pursuant to this Agreement shall prove to have been inaccurate, misleading or incomplete in any material respect;
  b) Failure by the Recipient to observe and perform any covenant, condition, or provision in this Agreement, which failure shall continue for a period of time, to be determined by the Division;
  c) Initiation of proceedings seeking arrangement, reorganization, or any other relief under any applicable bankruptcy, insolvency, or other similar law; the appointment of or taking possession of the Recipient's property by a receiver, liquidator, assignee, trustee, custodian, conservator, or similar official; the Recipient's entering into a general assignment for the benefit of creditors; the initiation of resolutions or proceedings to terminate the Recipient's existence, or any action in furtherance of any of the foregoing;
  d) A determination pursuant to Gov. Code section 11137 that the Recipient has violated any provision in Article 9.5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code; or
  e) Loss of the Recipient's rights, licenses, permits, or privileges necessary for the Project, or the occurrence of any material restraint on the Recipient's enterprise by a government agency or court order.
- "Final Reimbursement Request Date" means the date set forth as such on the Cover Page of this Agreement, after which date, no further reimbursements or disbursements may be requested.
- "Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year.
- "GAAP" means generally accepted accounting principles, the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public

Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor, or the Uniform System of Accounts, as adopted by the California Public Utilities Commission for water utilities.

- "Material Obligation" means an obligation of the Recipient that is material to this transaction.
- "Party Contact" means, for the Recipient, the Authorized Representative of the Recipient or any designee of the Authorized Representative, and, for the State Water Board, the Division staff set forth in Section 2 of this Agreement.
- "Project" means the Project funded by this Agreement as described in Exhibits A and B and in the documents incorporated by reference herein.
- "Project Completion" means, as determined by the Division, that the Project is complete to the reasonable satisfaction of the Division.
- "Project Costs" means the incurred costs of the Recipient which are eligible for funding under this Agreement, pursuant to applicable statutes, policy, regulations, or guidelines.
- "Project Funding Amount" means the maximum amount payable under this Agreement, as set forth on the Cover Page.
- "Project Funds" means all moneys disbursed to the Recipient by the State Water Board for eligible Project Costs pursuant to this Agreement.
- "Project Manager" means the person designated by the State Water Board to manage performance of this Agreement. The Project Manager is set forth on the Cover Page.
- "Records Retention End Date" means the last date that the Recipient is obligated to maintain records related to this Agreement and is set forth on the Cover Page of this Agreement.
- "Regional Water Quality Control Board" or "Regional Water Board" means the appropriate Regional Water Quality Control Board.
- "Reimbursement Period" means the period during which Project Funds may be disbursed.
- "Reimbursement Request" means the Recipient's request for Project Funds from the State Water Board as set forth in Exhibit B.
- "State" means State of California.
- "State Water Board" means the State Water Resources Control Board.
- "Work Completion" means the Recipient's submittal of all work set forth under Exhibit A for review and approval by the Division.
- "Work Completion Date" means the date set forth on the Cover Page of this Agreement and is the last date on which Project Costs may be incurred under this Agreement.
- "Year" means calendar year unless otherwise expressly indicated.

2. ACCESS, INSPECTION, AND PUBLIC RECORDS. The Recipient must ensure that the State Water Board, the State Auditor, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times through the Records Retention End Date or useful life of the Project, whichever is longer. The Recipient acknowledges that, except for a subset of information regarding archaeological records and personally identifiable information, the Project records and locations may be public records, including but not limited to all of the submissions accompanying the application, all of the documents incorporated into this Agreement by reference, and all reports, Reimbursement Requests, and supporting documentation submitted hereunder.

3. ACCOUNTING AND AUDITING STANDARDS; FINANCIAL MANAGEMENT SYSTEMS. The Recipient must maintain GAAP-compliant project accounts, including GAAP requirements relating to the reporting of infrastructure assets. Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient must:

   (a) Establish an official file for the Project which adequately documents all significant actions relative to the Project;

   (b) Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all Project Funds received under this Agreement;

   (c) Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to Project Funds disbursed under this Agreement;

   (d) Establish an accounting system which will accurately depict final total costs of the Project if authorized under this Agreement;

   (e) Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and

   (f) If the Recipient uses its own employees, equipment, or resources for any phase of the Project, accounts will be established which reasonably document all employee hours charged to the Project and the associated tasks performed by each employee.

4. AMENDMENT. No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by both the Recipient and the Deputy Director or designee and approved as required.

5. ASSIGNABILITY. This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board. Amendment of the Agreement may be required.

6. AUDIT. The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of State or federal requirements. If an audit is called for, the audit must be performed by a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit must be in the form required by the Division. The Recipient must return, or ensure the return of, any audit disallowances within 30 days.

7. BONDING. Where construction contractors are used, the Recipient must not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and

materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00.

8. COMPETITIVE BIDDING. Recipient must adhere to any applicable State law or local ordinance for competitive bidding and applicable labor laws. If Recipient is a private entity, any construction contracts related in any way to the Project must be let by competitive bid procedures which assure award of such contracts to the lowest responsive and responsible bidders. Recipient must not award a construction contract until a summary of bids and identification of the selected lowest responsible bidder is submitted to and approved in writing by the Division. Recipient must provide a full explanation if Recipient is proposing to award a construction contract to anyone other than the lowest responsible bidder.

9. COMPLIANCE WITH APPLICABLE LAWS, RULES, AND REQUIREMENTS. The Recipient must, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and State laws, rules, guidelines, regulations, and requirements and with provisions of the adopted environmental mitigation plan, if any, for the useful life of the Project.

10. COMPUTER SOFTWARE. The Recipient certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

11. CONFLICT OF INTEREST. The Recipient certifies that it, its owners, officers, directors, agents, representatives, and employees are in compliance with applicable State and federal conflict of interest laws and will remain in compliance for the useful life of the Project. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances. Public entities are required to have adopted conflict of interest codes and may be required to provide documentation of those codes to the Division.

12. DATA MANAGEMENT. The Recipient will undertake appropriate data management activities so that Project data can be incorporated into statewide data systems.

13. DEBARRED, DISQUALIFIED, OR EXCLUDED CONTRACTORS. The Recipient must not contract or allow subcontracting with excluded parties. The Recipient must not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient must not contract with any individual or organization on the State Water Board's List of Disqualified Businesses and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml

14. DRUG-FREE WORKPLACE. The Recipient certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act (Gov. Code. §§ 8350-8357). The Recipient shall publish a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the Recipient's workplace and specifying the actions to be taken against employees for violations of the prohibition. The Recipient shall establish a drug-free awareness program to inform employees about the dangers of drug abuse in the workplace, the Recipient's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation and employee assistance programs, and penalties that may be imposed upon employees for drug abuse violations. The Recipient shall provide that

every employee who works on the Project receives a copy of the Recipient's drug-free workplace policy statement and agrees to abide by the terms of the statement as a condition of employment on the Project.

15. ENVIRONMENTAL CLEARANCE. No work that is subject to California Environmental Quality Act (CEQA) or the National Environmental Policy Act (NEPA) may proceed under this Agreement until the State Water Board has provided approval to proceed. Upon receipt and review of the Recipient's environmental documents, the State Water Board shall make the appropriate environmental findings before determining whether to approve construction or implementation funding for the Project under this Agreement. Providing approval for such construction or implementation funding is fully discretionary. The State Water Board may require changes in the scope of work or additional mitigation as a condition to providing construction or implementation funding under this Agreement. Recipient shall not perform any work subject to CEQA and/or NEPA before the State Water Board completes its environmental review and specifies any changes in scope or additional mitigation that may be required. Proceeding with work subject to CEQA and/or NEPA without approval by the State Water Board shall constitute a breach of a material provision of this Agreement. If this Project includes modification of a river or stream channel, the Recipient must fully mitigate environmental impacts resulting from the modification. The Recipient must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.

16. FINAL REIMBURSEMENT REQUEST. The Recipient agrees to ensure that its final Reimbursement Request is received by the Division no later than the Final Reimbursement Request Date, unless prior approval has been granted by the Division. If the final Reimbursement Request is not received timely, the undisbursed balance of this Agreement may be deobligated.

17. FRAUD AND MISUSE OF PUBLIC FUNDS. All requests for disbursement must be accurate and signed by the Recipient or its Authorized Representative under penalty of perjury. All costs submitted pursuant to this Agreement must only be for the work or tasks set forth in this Agreement. The Recipient must not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs). Any costs for which the Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other cost is improper and will not be compensated. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements and, notwithstanding any other section in this Agreement, the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. Additionally, the Deputy Director of the Division may request an audit and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability.

18. FUNDING CONTINGENCY. The State Water Board's disbursement of funds hereunder is contingent on the Recipient's compliance with the terms and conditions of this Agreement. The State Water Board's obligation to disburse funds is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason, including but not limited to failure of the federal or State government to appropriate funds necessary for disbursement of funds, the State Water Board shall not be obligated to make any disbursements to the Recipient under this Agreement. If this Agreement's funding for any fiscal year expires due to reversion or is reduced, substantially delayed, or deleted by the Budget Act, by Executive Order, or by order or action of the Department of Finance, the State Water Board

has the option to either cancel this Agreement with no liability accruing to the State Water Board, or offer an amendment to the Recipient to reflect the reduced amount. This provision shall be construed as a condition precedent to the obligation of the State Water Board to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Recipient with a right of priority for disbursement over any other entity. If any disbursements due the Recipient under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the State Water Board that such disbursement will be made to the Recipient when sufficient funds do become available, but this intention is not binding.

19. GOVERNING LAW. This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

20. RECIPIENT'S SHARE. The Recipient agrees that it will provide for the payment of its full share, if any share is required, of Project Costs and that all costs connected with the Project will be timely paid by the Recipient.

21. INDEMNIFICATION AND STATE REVIEWS. The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the Project; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement, except those arising from the gross negligence or willful misconduct of the Indemnified Persons. The Recipient must also provide for the defense and indemnification of the Indemnified Persons in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and must cause the Indemnified Persons to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section survive the term of this Agreement.

22. INDEPENDENT ACTOR. The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

23. INSPECTION. Throughout the useful life of the Project, the State Water Board shall have the right to inspect the Project area to ascertain compliance with this Agreement.

24. INTEGRATION. This Agreement constitutes the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

25. LIENS. The Recipient must not make any pledge of or place any lien on the Project or Project assets except upon consent of the Division.

26. NO DISCRIMINATION. The Recipient must comply with Government Code section 11135 and the implementing regulations (Cal. Code Regs, tit. 2, § 11140 et seq.), including, but not limited to, ensuring that no person is unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination in the operation of, the Project on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation as such terms are defined under California law, for as long as the Recipient retains ownership or possession of the Project. If Project Funds are used to acquire or improve real property, the Recipient must include a covenant of nondiscrimination running with the land in the instrument effecting or recording the transfer of such real property. The Recipient must comply with the federal American with Disabilities Act of 1990 and implementing regulations as required by Government Code section 11135(b). The Recipient's obligations under this section shall survive the term of this Agreement. During the performance of this Agreement, Recipient and its contractors and subcontractors must not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status. The Recipient, its contractors, and subcontractors must ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Recipient, its contractors, and subcontractors must comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subds. (a)-(f) et seq.;Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Recipient, its contractors, and subcontractors must give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

27. NO THIRD-PARTY RIGHTS. This Agreement creates no rights in and grants no remedies to any third party as a beneficiary of this Agreement.

28. NO OBLIGATION OF THE STATE. Any obligation of the State Water Board herein contained shall not be an obligation, debt, or liability of the State and any such obligation shall be payable solely out of the moneys encumbered pursuant to this Agreement.

29. NON-WAIVER. Nothing in this Agreement shall affect or impair the Recipient's obligation to undertake work under this Agreement or shall affect or impair the right of the State Water Board to bring suit to enforce such work. No delay or omission of the State Water Board in the exercise of any right arising upon an Event of Default shall impair any such right or be construed to be a

waiver of any such Event of Default. The State Water Board may exercise from time to time and as often as shall be deemed expedient by the State Water Board, any remedy or right provided by law or pursuant to this Agreement. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

30. OTHER FUNDING SOURCES; INCOME RESTRICTIONS. If funding for Project Costs is made available to the Recipient from sources other than this Agreement, the Recipient must notify the Division. The Recipient may retain such funding up to an amount which equals the Recipient's contribution to Project costs. To the extent allowed by requirements of other funding sources, excess funding must be remitted to the State Water Board. The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient as related to this Agreement must be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

31. PERMITS AND AUTHORIZATIONS. Recipient must procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses must be submitted to the Division before any construction or implementation begins.

    Any contractors, outside associates, or consultants required by the Recipient in connection with the services covered by this Agreement shall be limited to such individuals or firms as were specifically identified and agreed to during negotiations for this Agreement, or as are specifically authorized by the State Water Board's Project Manager during the performance of this Agreement. Any substitutions in, or additions to, such contractors, associates, or consultants, shall be subject to the prior written approval of the State Water Board's Project Manager.

32. PREVAILING WAGES. If applicable, the Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. If applicable, the Recipient must monitor all agreements subject to reimbursement from this Agreement to ensure that the applicable prevailing wage provisions of the State Labor Code are being met. Division of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/lcp.asp. For more information, please refer to DIR's Public Works Manual at: http://www.dir.ca.gov/dlse/PWManualCombined.pdf.

33. PRIOR COSTS. No costs incurred prior to the Eligible Work Start Date are eligible for reimbursement.

34. PROFESSIONALS. The Recipient agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for. All technical reports required pursuant to this Agreement that involve planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, architectural, or geologic sciences, shall be prepared by or under the direction of persons registered to practice in California pursuant to Business and Professions Code, sections 5536.1, 6735, 7835, and 7835.1. As required by these laws, completed technical reports must bear the signature(s) and seal(s) of the registered professional(s) in a manner such that all work can be clearly attributed to the professional responsible for the work.

35. RECORDS, INSPECTION, AUDITS, AND INTERVIEWS; RECORDS RETENTION. The Recipient must maintain separate books, records and other material relative to the Project and retain such books, records, subcontracts, and other material until at least the Records Retention End Date set forth on the Cover Page of this Agreement. The Recipient must require that such

books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the Department of Finance, the California State Auditor, the Bureau of State Audits, or any authorized representatives of the aforementioned, including federal funding agencies and their auditors, if any. The Recipient must allow and must require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section survive the term of this Agreement.

36. RELATED LITIGATION. Under no circumstances may the Recipient use funds from any reimbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to complete the Project funded by this Agreement or to repay all of the disbursed funds plus interest.

37. REMEDIES. The State Water Board may enforce its rights under this Agreement by any judicial proceeding, whether at law or in equity. None of the remedies available to the State Water Board shall be exclusive of any other remedy, and each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. The State Water Board may exercise any remedy, now or hereafter existing, without exhausting and without regard to any other remedy. Any dispute of the Recipient is limited to the rights and remedies provided to the Recipient under this Agreement and is subject to the procedures provided to the Recipient under this Agreement.

38. REPORTS - AS NEEDED. The Recipient must provide expeditiously any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the State or federal government.

39. RESPONSIBILITY FOR WORK. The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project, including, but not limited to, payment disputes with contractors and subcontractors. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

40. RIGHTS IN DATA. The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request. The Recipient may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgement of credit to the State Water Board for financial support. The Recipient shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.

41. STATE WATER BOARD ACTION; COSTS AND ATTORNEY FEES. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

42. STATUS QUO. If any action to enforce any right or exercise any remedy shall be brought and either discontinued or determined adversely to the State Water Board, then the State Water Board shall be restored to its former position, rights, and remedies as if no such action had been brought.

43. TERMINATION, IMMEDIATE REPAYMENT, AND INTEREST: This Agreement may be terminated by written notice at any time, at the option of the State Water Board, if:

    a. the Recipient has received funds as a result of a material misrepresentation in the funding application or other submitted document; or
    b. upon violation by the Recipient of any material provision of this Agreement after such violation has been called to the attention of the Recipient and after failure of the Recipient to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by the State Water Board.

    In the event of such termination, the Recipient agrees, upon demand, to immediately repay to the State Water Board an amount equal to the amount of Project Funds disbursed to the Recipient prior to such termination. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the Recipient to the date of full repayment by the Recipient.

44. TIMING. Time is of the essence. The Recipient must expeditiously proceed with and complete the Project. Failure to proceed according to the timelines set forth in this Agreement may require the Recipient to repay to the State Water Board all disbursed Project Funds.

45. TRAVEL AND PER DIEM. No work or travel outside the State of California is permitted under this Agreement unless the Division provides prior written authorization. No work or travel outside the United States of America is authorized. Failure to comply with this restriction may constitute an Event of Default and result in termination of this Agreement. Any reimbursement for necessary travel and per diem shall be set pursuant to and at rates not to exceed those set by the California Department of Human Resources at http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. as of the date costs are incurred by the Recipient.

46. UNDISBURSED FUNDS. The Recipient is not entitled to interest earned on undisbursed funds.

47. UNENFORCEABLE PROVISION; SEVERABILITY. In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

48. UNION ACTIVITIES: The Recipient hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Agreement. The Recipient certifies that none of the Project Funds will be used to assist, promote, or deter union organizing. If the Recipient incurs costs or makes expenditures to assist, promote, or deter union organizing, the Recipient will maintain records sufficient to show that no reimbursement from Project Funds has been sought for these costs and the Recipient shall provide those records to the Attorney General upon request.

49. VENUE. Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

50. WAIVER AND RIGHTS OF THE STATE WATER BOARD. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

51. WATER CONSERVATION AND EFFICIENCY PROGRAMS: The Recipient acknowledges that it has appropriate water conservation and efficiency programs in place, and that this provision constitutes a condition of this Agreement. A web link with examples of water conservation and efficiency programs is available at: http://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/conservation.shtml.

52. WATER DIVERSION AND USE: To the extent applicable, the Recipient has complied with, and shall continue to comply with, the requirements of Water Code, division 2, part 5.1, section 5100 et seq. for filing statements of water diversion and use.

53. WITHHOLDING OF DISBURSEMENTS AND REIMBURSEMENTS. Notwithstanding any other provision of this Agreement, the State Water Board may withhold all or any portion of the Project Funds upon the occurrence of any of the following events:

    a) Failure of the Recipient to maintain reasonable progress on the Project as determined by the Division;

    b) Commencement of litigation or a judicial or administrative proceeding related to the Project, or Recipient that the State Water Board determines may impair the timely satisfaction of Recipient's obligations under this Agreement;

    c) Any investigation by State, local, or federal investigators or auditors, or a grand jury, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;

    d) A material adverse change in the condition of the Recipient, or the Project, that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement, or any other event that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement;

    e) The Recipient's material violation of, or threat to materially violate, any provision of this Agreement;

    f) Suspicion of fraud, forgery, embezzlement, theft, or any other misuse of public funds by the Recipient or its employees, or by its contractors or agents directly or indirectly regarding the Project;

    g) An event requiring notice under this Agreement; or

    h) An Event of Default or an event that the Division determines may become an Event of Default.

EXHIBIT D – SPECIAL CONDITIONS

D.1 DEFINITIONS.

Each capitalized term used in this Agreement has the following meaning:

- "Authorized Representative" means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient's authorizing resolution that designates the authorized representative by title.
- "Eligible Work Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which any costs may be incurred and eligible for reimbursement hereunder.
- "Enterprise Fund" means the enterprise fund of the Recipient in which Revenues are deposited.
- "Event of Default" means, in addition to the meanings set forth in Exhibit C, the occurrence of any of the following events:
    a) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
    b) The occurrence of a material breach or event of default under any Recipient obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption, or that the Division determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
- "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the Project (i.e., costs that are not directly related to the Project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Recipient; non-project-specific accounting and personnel services performed within the Recipient organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; generic overhead or markup; and taxes.
- "Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.
- "Operations and Maintenance Costs" means the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.
- "Policy" means the State Water Board's "Policy for Implementing the Clean Water State Revolving Fund," as amended from time to time, including the Intended Use Plan in effect as of the execution date of this Agreement.
- "Revenues" means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with GAAP, including all rates, fees, and charges (including connection fees and charges) as received by the Recipient for the services of the System, and all other income and revenue howsoever

derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient's behalf, and any refundable deposits made to establish credit, and advances or contributions in aid of construction.

- "System" means all wastewater collection, pumping, transport, treatment, storage, and disposal facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

D.2 ADDITIONAL REPRESENTATIONS AND WARRANTIES.

The Recipient represents, warrants, and covenants each of the following:

a) The Recipient has not made any untrue statement of a material fact in its application for this financial assistance or omitted to state in its application a material fact that makes the statements in its application not misleading.

b) The Recipient agrees to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for funding under this Agreement.

c) The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date of execution of this Agreement by the Recipient, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date of execution of this Agreement by the Recipient.

d) There are, as of the date of execution of this Agreement by the Recipient, no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency that materially affect the financial condition or operations of the Recipient, the Revenues, and/or the Project.

e) There are no proceedings, actions, or offers by a public entity to acquire by purchase or the power of eminent domain any of the real or personal property related to or necessary for the Project.

f) The Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient must at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. Within the preceding ten years, the Recipient has not failed to demonstrate compliance with state or federal audit disallowances.

g) Any financial statements or other financial documentation of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements or other financial documentation: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements or other financial documentation, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements or other financial documentation been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

h) The Recipient is current in its continuing disclosure obligations associated with its material debt, if any.

i) The Recipient has no conflicting or Material Obligations.

j) The Recipient has sufficient real or personal property rights necessary for the purposes of this Agreement, not subject to third party revocation, which rights extend at least to the Records Retention End Date of this Agreement, except as disclosed to the State Water Board. The Recipient has disclosed to the State Water Board all proceedings, actions, or offers of which the Recipient has knowledge or belief that may in any way affect the Recipient's ability to access or legally possess all of the property necessary for the purpose of this Agreement, including any proceedings, actions, or offers to lease, purchase, or acquire by eminent domain any of the real or personal property related to or necessary for the Project.

k) The Recipient and its principals, contractors, and subcontractors, to the best of the Recipient's knowledge and belief, are not presently debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized; nor have they engaged or permitted the performance of services covered by this Agreement from parties that are debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized.

D.3 ACKNOWLEDGEMENTS.

The Recipient must include the following acknowledgement in any document, written report, or brochure to be shared with the general public prepared in whole or in part pursuant to this Agreement:

- "Funding for this project has been provided in full or in part under the Clean Water State Revolving Fund, which may include capitalization funding from the United States Environmental Protection Agency through an agreement with the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use."

D.4 RATES, FEES, AND CHARGES.

The Recipient must, to the extent permitted by law, fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair, and nondiscriminatory and which will be sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs, and must ensure that Net Revenues are in an amount necessary to meet its obligations under this Agreement. The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees, and charges will at all times be sufficient to meet the requirements of this section.

D.5 ENVIRONMENTAL AND TECHNICAL SPECIAL CONDITIONS.

The Recipient agrees to the following environmental conditions:

- The Recipient shall submit all final California Environmental Quality Act (CEQA) documents and notices for the construction project to the Governor's Office of Planning and Research, State

Clearinghouse or coordinate with the CEQA lead agency to do so. A copy of all such CEQA documents and notices shall be submitted to the Division via the Financial Assistance Application Submittal Tool (FAAST).

- The Recipient shall submit to the Division a Biological Assessment Report or an updated previously prepared Biological Assessment Report for the construction project that meets the requirements of Section 7 of the Endangered Species Act (ESA) for the purposes of initiating consultation with the United States Fish and Wildlife Service and/or the National Marine Fisheries Service. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 7, ESA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- The Recipient shall submit to the Division a Historic Properties Identification Report (HPIR) for the construction project or an updated previously prepared HPIR, authored by a qualified archaeologist that meets the requirements of Section 106 of the National Historic Preservation Act (NHPA) for the purposes of initiating consultation with the Office of Historic Preservation. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 106, NHPA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- During the term of this planning Agreement, the Recipient shall request approval of any change(s) to the Scope of Work of the construction project before making those changes. Thereafter, the Division shall notify the Recipient whether additional environmental review is necessary as a result of the change(s).

- The Recipient shall not initiate any ground disturbing/construction activities unless and until the environmental review process is complete and all applicable notices are filed by the Recipient in its capacity as the CEQA Lead Agency.

The Recipient agrees to the following technical condition:

- The Recipient shall not begin work on engineering design (beyond the 10% level), environmental documents, governance structure and agency agreements, easement identification, or permits and related studies until written authorization is given by the Division's Project Manager for each specific task. A selected construction project receiving such written authorization is referred to herein as the "Selected Construction Project". Authorization can be withheld at the discretion of the Division.

D.6 RETURN OF FUNDS.

Notwithstanding any other provision of this Agreement, if the Division determines that an Event of Default has occurred, the Recipient may be required, upon demand, to immediately return to the State Water Board any grant or principal forgiveness amounts received pursuant to this Agreement and pay interest at the highest legal rate on all of the foregoing.

D.7 INSURANCE.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient must begin such reconstruction, repair or replacement as expeditiously as possible, and must pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same must be completed and the System must be free and clear of all claims and liens.

D.8 NOTICE.

Upon the occurrence of any of the following events, the Recipient must notify the Division's Deputy Director and Party Contacts promptly by phone and email:

i. Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;

ii. Change of ownership of the Project (no change of ownership may occur without written consent of the Division);

iii. Loss, theft, damage, or impairment to Project;

iv. Events of Default, except as otherwise set forth in this section;

v. A proceeding or action by a public entity to acquire the Project by power of eminent domain.

vi. Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity or the Recipient's continued existence, or any judgment or court order relating to such litigation that has a material effect on the Project or the System;

vii. Consideration of dissolution, or disincorporation;

viii. Enforcement actions by or brought on behalf of the State Water Board or Regional Water Board.

ix. The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this funding, or in any certification, report, or request for reimbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;

x. Any substantial change in scope of the Project. The Recipient must undertake no substantial change in the scope of the Project until prompt written notice of the

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proposed change has been provided to the Division and the Division has given written approval for the change;

xi. Any circumstance, combination of circumstances, or condition, which is expected to or does delay Work Completion for a period of ninety (90) days or more;

xii. The Recipient must promptly notify the Division and Party Contacts of the discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during implementation of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;

xiii. Any Project monitoring, demonstration, or other implementation activities required in this Agreement;

xiv. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state representatives with at least ten (10) working days' notice to the Division;

xv. Any event requiring notice to the Division pursuant to any other provision of this Agreement;

xvi. Work Completion, and Project Completion.

D.9 FRAUD, WASTE, AND ABUSE.

The Recipient shall prevent fraud, waste, and the abuse of Project Funds, and shall cooperate in any investigation of such activities that are suspected in connection with this Agreement. The Recipient understands that discovery of any evidence of misrepresentation or fraud related to Reimbursement Requests, invoices, proof of payment of invoices, or other supporting information, including but not limited to double or multiple billing for time, services, or any other eligible cost, may result in an administrative action by the State Water Board and/or referral to the Attorney General's Office or the applicable District Attorney's Office for appropriate action. The Recipient further understands that any suspected occurrences of false claims, misrepresentation, fraud, forgery, theft or any other misuse of Project Funds may result in withholding of reimbursements and/or the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. A person who knowingly makes or causes to be made any false statement, material misrepresentation, or false certification in any submittal may be subject to a civil penalty, criminal fine, or imprisonment. (Wat. Code, § 13490 et seq.)

D.10 DISPUTES.

The Recipient must continue with the responsibilities under this Agreement during any dispute. The Recipient may, in writing, appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute. This provision does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final

the decision of the State Water Board, or any official or representative thereof, on any question of law. This section relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

D.11 EXECUTIVE ORDER N-6-22 — RUSSIAN SANCTIONS.

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State Water Board determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State Water Board shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State Water Board.

The Recipient represents that the Recipient is not a target of economic sanctions imposed in response to Russia's actions in Ukraine imposed by the United States government or the State of California. The Recipient is required to comply with the economic sanctions imposed in response to Russia's actions in Ukraine, including with respect to, but not limited to, the federal executive orders identified in California Executive Order N-6-22, located at https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf and the sanctions identified on the United States Department of the Treasury website (https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions). The Recipient is required to comply with all applicable reporting requirements regarding compliance with the economic sanctions, including, but not limited to, those reporting requirements set forth in California Executive Order N-6-22 for all Recipients with one or more agreements with the State of California with an aggregated value of Five Million Dollars ($5,000,000) or more. Notwithstanding any other provision in this Agreement, failure to comply with the economic sanctions and all applicable reporting requirements may result in termination of this Agreement.

For Recipients with an aggregated agreement value of Five Million Dollars ($5,000,000) or more with the State of California, reporting requirements include, but are not limited to, information related to steps taken in response to Russia's actions in Ukraine, including but not limited to:

1. Desisting from making any new investments or engaging in financial transactions with Russian institutions or companies that are headquartered or have their principal place of business in Russia;

2. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and

3. Direct support to the government and people of Ukraine.

D.12 STATE CROSS-CUTTERS.

Recipient represents that, as applicable, it complies and covenants to maintain compliance with the following with respect to all Project Costs for the term of this Agreement:

- The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.

- Water Conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.
- Monthly Water Diversion Reporting requirements, including requirements set forth in Water Code section 5103.
- Public Works Contractor Registration with Department of Industrial Relations requirements, including requirements set forth in Sections 1725.5 and 1771.1 of the Labor Code.
- Volumetric Pricing & Water Meters requirements, including the requirements of Water Code sections 526 and 527.
- Urban Water Management Plan requirements, including the Urban Water Management Planning Act (Water Code, § 10610 et seq.).
- Urban Water Demand Management requirements, including the requirements of Section 10608.56 of the Water Code.
- Delta Plan Consistency Findings requirements, including the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.
- Agricultural Water Management Plan Consistency requirements, including the requirements of Water Code section 10852.
- Charter City Project Labor Requirements, including the requirements of Labor Code section 1782 and Public Contract Code section 2503.
- The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with directives or orders issued pursuant to Division 7 of the Water Code.
- Regulations in Division 4 of Title 22 of the California Code of Regulations, including but not limited to California Waterworks Standards in Chapter 16, and Lead and Copper regulations in Chapter 17.5.

D.13 DAMAGES FOR BREACH OF FEDERAL CONDITIONS

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

D.14 ACCESS AND INSPECTION.

In addition to the obligations set forth in section 2 of the General Terms and Conditions incorporated in Exhibit C of this Agreement, the Recipient must ensure that the United States Environmental Protection Agency, the Office of Inspector General, any member of Congress, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during the term of the Agreement.

D.15 FINANCIAL MANAGEMENT SYSTEMS.

The Recipient must comply with federal standards for financial management systems. The Recipient agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit preparation of reports required by the federal government and tracking of Project funds to a level of expenditure adequate to establish that such funds have not been used in violation of federal or state law or the terms of this Agreement. To the extent applicable, the Recipient is bound by, and must comply with, the provisions and requirements of the federal Single Audit Act (SAA) of 1984, 2 CFR part 200, subpart F, and 2 CFR section 200.302, and updates or revisions, thereto, including but not limited to:

- Maintain an annual (Fiscal Year) accounting system and identify all expenditures of federal financial assistance;
- Conduct a SAA audit using an independent auditor in those Fiscal Years when expenditures of total federal financial assistance equal or exceed $750,000, and submit the SAA audit to the Federal Audit Clearinghouse within the earlier of thirty (30) calendar days after receipt of the auditor's report(s) or nine (9) months of the end of the audit period;
- Notify the Division when a SAA audit has been conducted and submitted to the Federal Audit Clearinghouse;
- Notify and provide the Division with a copy of the SAA audit within thirty (30) days of completion of the audit;
- Inform the Division of findings and recommendations pertaining to federal financial assistance provided through the State Water Board contained in SAA audits conducted by the Recipient;
- Initiate corrective actions for audit reports with findings and recommendations that impact federal financial assistance provided through the State Water Board and notify the Division when corrective actions are complete.

D.16 FEDERAL CROSS-CUTTERS.

The Recipient acknowledges, warrants compliance with, and covenants to continuing compliance with the following federal terms and conditions with respect to all Project Costs for the term of this Agreement:

i. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase "iron and steel products" produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all "iron and steel products" used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. "Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

ii. The Recipient does not anticipate any construction is necessary to complete the Project, and no construction activities may occur without the Division's approval. If the Project does include construction, the Recipient agrees to comply with the Davis-Bacon provisions, and must include in full the Wage Rate Requirements (Davis-Bacon) language provided by the Division in all construction contracts and subcontracts.

iii. The Recipient shall notify the State Water Board and the USEPA contact of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

iv. The Recipient shall comply with applicable USEPA general terms and conditions found at https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2022-or-later.

v. No Recipient may receive funding under this Agreement unless it has provided its Unique Entity Identifier, assigned by the System for Award management, to the State Water Board.

vi. The Recipient represents and warrants that it and its principals are not excluded or disqualified from participating in this transaction as such terms are defined in Parts 180 and 1532 of Title 2 of the Code of Federal Regulations (2 CFR). If the Recipient is excluded after execution of this Agreement, the Recipient shall notify the Division within ten (10) days and shall inform the Division of the Recipient's exclusion in any request for amendment of this Agreement. The Recipient shall comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR. Such compliance is a condition precedent to the State Water Board's performance of its obligations under this Agreement. When entering into a covered transaction as defined in Parts 180 and 1532 of 2 CFR, the Recipient shall require the other party to the covered transaction to comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR.

vii. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA's Final Financial Assistance Conflict of Interest Policy at https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy. A conflict of interest may result in disallowance of costs.

viii. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement.

ix. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural invention reporting system at http://iEdison.gov and shall notify the Division when an invention report, patent report, or utilization report is filed.

x. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the Acknowledgment statement set forth in Exhibit D.

xi. The Recipient acknowledges that it is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.

xii. The Recipient, its employees, contractors and subcontractors and their employees warrants that it will not engage in severe forms of trafficking in persons, procure a commercial sex act during the term of this Agreement, or use forced labor in the performance of this Agreement. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of

its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing.

xiii. The Recipient certifies to the best of its knowledge and belief that:

a. No federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions, and notify the State Water Board.

The Recipient shall require this certification from all parties to any contract or agreement that the Recipient enters into and under which the Recipient incurs costs for which it seeks reimbursement under this Agreement.

xiv. The Recipient must comply with the following federal non-discrimination requirements:

a. Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
b. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
c. The Age Discrimination Act of 1975, which prohibits age discrimination.
d. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
e. 40 CFR Part 7, as it relates to the foregoing.
f. Executive Order 13798, including, to the greatest extent practicable and to the extent permitted by law, the requirement to respect and protect the freedom of persons and organizations to engage in political and religious speech.
g. All applicable federal civil rights regulations, including statutory and national policy requirements (2 CFR section 200.300).

xv. If the Project relates to construction of a publicly owned treatment works, where the Recipient contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services, the Recipient shall ensure that any such contract is negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement as determined by the State Water Board.

xvi. Executive Order No. 11246. The Recipient shall include in its contracts and subcontracts related to the Project the following provisions:

"During the performance of this contract, the contractor agrees as follows:"(a) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following:

employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(d) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

"(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

"(g) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

xvii. The Recipient agrees to comply with the requirements of USEPA's Program for Utilization of Small, Minority and Women's Business Enterprises.

xviii. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368. Except where the purpose of this Agreement is to remedy the cause of the

violation, the Recipient may not procure goods, services, or materials from suppliers excluded under the federal System for Award Management: sam.gov

xix. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655. The Recipient must comply with the Act's implementing regulations at 49 CFR 24.101 through 24.105.

xx. The Recipient agrees that if its network or information system is connected to USEPA networks to transfer data using systems other than the Environmental Information Exchange Network or USEPA's Central Data Exchange, it will ensure that any connections are secure.

xxi. All geospatial data created pursuant to this Agreement that is submitted to the State Water Board for use by USEPA or that is submitted directly to USEPA must be consistent with Federal Geographic Data Committee endorsed standards. Information on these standards may be found at www.fgdc.gov.

xxii. If the Recipient is a water system that serves 500 or fewer persons, the Recipient represents that it has considered publicly-owned wells as an alternative drinking water supply.

xxiii. The Recipient represents that it is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.

xxiv. The Recipient agrees to immediately notify the Project Manager in writing about any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, including fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results, or ordering, advising, or suggesting that subordinates engage in research misconduct.

xxv. The Recipient agrees to comply with, and require all contractors and subcontractors to comply with, USEPA's Scientific Integrity Policy, available at https://www.epa.gov/osa/policy-epa-scientific-integrity, when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this condition scientific activities include, but are not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue.

The Recipient shall not suppress, alter, or otherwise impede the timely release of scientific findings or conclusions; intimidate or coerce scientists to alter scientific data, findings, or professional opinions or exert non-scientific influence on scientific advisory boards; knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty; or otherwise violate the USEPA's Scientific Integrity Policy. The Recipient must refrain from acts of research misconduct, including publication or reporting, as described in USEPA's Policy and Procedures for Addressing Research Misconduct, Section 9.C, and must ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by contractors and subcontractors.

xxvi. The Recipient agrees to comply with the Animal Welfare Act of 1966 (7 USC 2131-2156). Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training," available at http://grants.nih.gov/grants/olaw/references/phspol.htm#USGovPrinciples.

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xxvii. The Recipient certifies that no Project Funds will be used on:

a. Video surveillance or telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
b. Telecommunications or video surveillance services produced by such entities;
c. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country; or
d. Other telecommunications or video surveillance services or equipment in violation of 2 CFR 200.216.

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EXHIBIT B CLEAN WATER PLANNING LOAN AGREEMENT NO D2401012
LINE ITEM BUDGETS AND SCHEDULE

CHUALAR WASTEWATER CONSOLIDATION PROJECT (C-06-8676-110)

Task No.	Description	Project Funding Amount	Total Estimated Costs	Projected Costs - Phase I (25.07.02 Proposal)	Change in Line Item Budgets from Agreement No. D2401012	Proposed Phase I Budget (25.07.02)	Proposed Phase II Budget (25.07.02)	Phase I + II Total
1	Project Report and Preliminary Design (10%)	$ 420,000	$ 420,000	$ 440,490	$ 25,000	**$ 445,000**	$ -	$ 445,000
2	Plans and Specifications (30%)	$ 540,000	$ 540,000	$ -		**$ -**	$ 540,000	$ 540,000
3	Environmental Documents	$ 380,000	$ 380,000	$ -		**$ -**	$ 380,000	$ 380,000
4	Governance Structure and Inter-Agency Agreemen	$ 310,000	$ 310,000	$ -		**$ -**	$ 310,000	$ 310,000
5	Easement Identification	$ 310,000	$ 310,000	$ -	$ (25,000)	**$ -**	$ 285,000	$ 285,000
6	Permit and Related Studies	$ 140,000	$ 140,000	$ -		**$ -**	$ 140,000	$ 140,000
7	Financial Addistance Applications	$ 50,000	$ 50,000	$ -		**$ -**	$ 50,000	$ 50,000
8	Project Administration	$ 350,000	$ 350,000	$ 131,452		**$ 131,500**	$ 218,500	$ 350,000
	TOTAL	$ 2,500,000	$ 2,500,000	$ 571,942		**$ 576,500**	$ 1,923,500	$ 2,500,000

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ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE	**REVISED ESTIMATED DUE DATE**
	EXHIBIT A - SCOPE OF WORK			
	WORK TO BE PERFORMED BY RECIPIENT			
1	Project Report and Preliminary Design a) Draft Project Report b) Final Project Report	 N/A N/A	 ~~30-Sep-25~~ ~~31-Dec-25~~	 **31-Mar-26** **31-Jul-26**
2	Plans and Specifications a) 30% Draft Plans, Specifications and Engineer's Opinion of Probable Cost	N/A	31-May-26	t.b.d.
3	Environmental Documents a) Draft Environmental Documents b) Final Environmental Documents	 N/A N/A	 31-Jul-26 30-Nov-26	t.b.d.
4	Governance Structure and Agency Agreements (if Applicable) a) Draft Agency Agreements b) Final Agency Agreements	 N/A N/A	 30-Apr-26 30-Apr-28	t.b.d.
5	Easement Identification a) Easement Summary Report	 N/A	 8/10/2026	t.b.d.
6	Permits and Related Studies a) Draft Permit Applications b) Permit Applications as Submitted (if Applicable)	 N/A N/A	 22-Feb-27 17-May-27	t.b.d.
7	Financial Assistance Applications a) Draft Financial Package for Construction b) Financial Assistance Application for Construction	 N/A N/A	 31-Mar-27 30-Jun-27	t.b.d.
8	Project Administration N/A	 N/A	 N/A	
9	Work Completion Date	30-Jun-28	N/A	
	EXHIBIT B - REIMBURSEMENTS, BUDGET DETAIL, AND REPORTING PROVISIONS			
	REIMBURSEMENTS			
10	Reimbursement Requests	As Needed		
11	Final Reimbursement Request	30-Sep-28	N/A	
	REPORTS			
12	Progress Reports	Quarterly		
13	As Needed Reports	As Needed		

ATTACHMENT B – PROJECT BUDGET

COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES AND PARKS
CHUALAR WASTEWATER CONSOLIDATION PROJECT C-06-8676-110,
PROJECT NO. 8168 __

PROJECT BUDGET

Environmental and Preliminary Design Engineering		$2,500,000
Final Design Engineering (expected to be fully funded)		$500,000
Right of Way/Utilities (expected to be fully funded)		$500,000
Construction Management (expected to be fully funded)		$2,000,000
Construction Contract (expected to be fully funded)		
Engineer's Estimate	$20,000,000	
10% Contingency	$2,000,000	
		$22,000,000
TOTAL ESTIMATED PROJECT COST:		**$27,500,000**

REVENUE

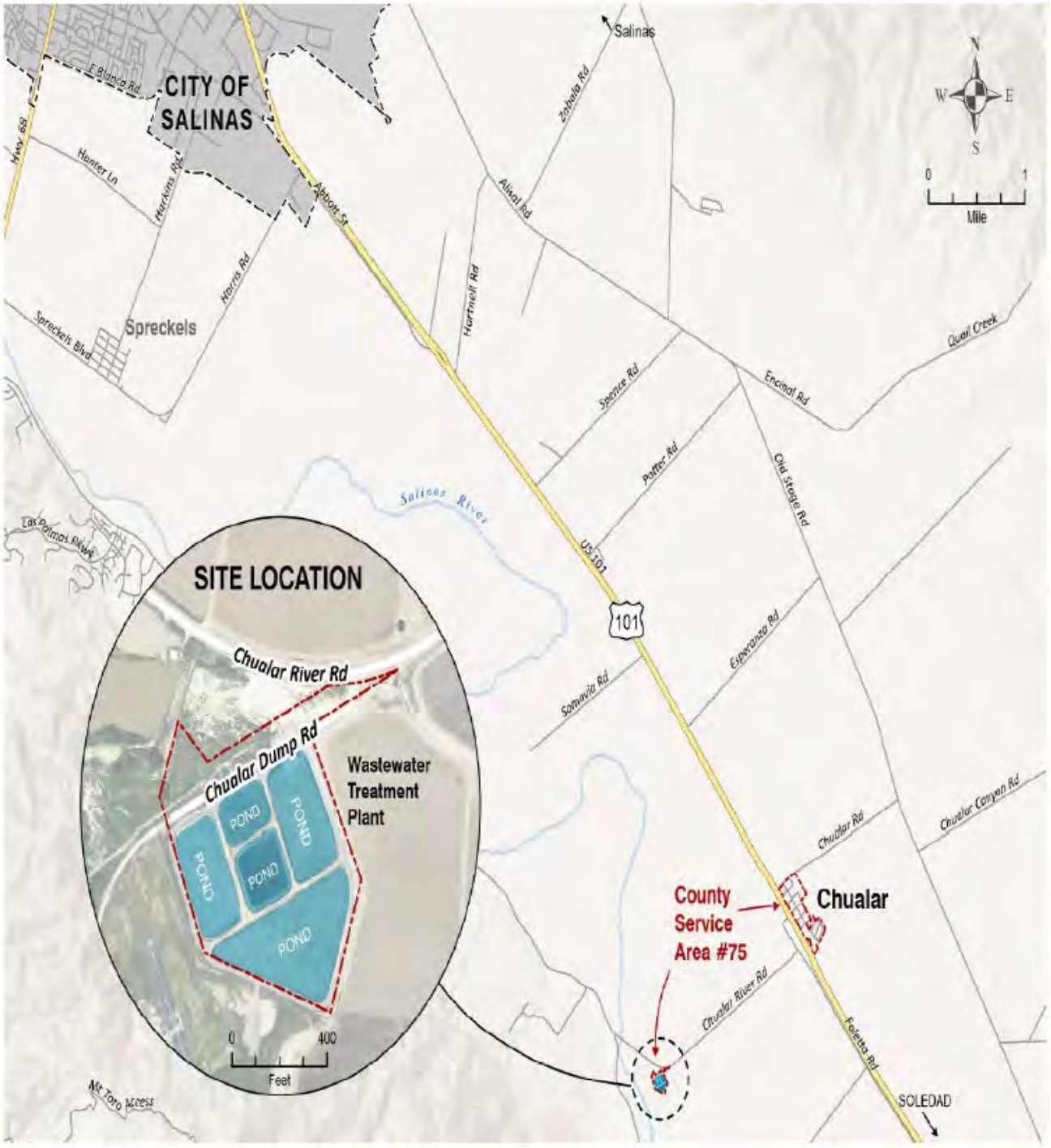
State Funds	
CWSRF Planning Grant Funds	$2,500,000
Local Funds	$0
Expected to be Fully Funded:	
CWSRF Construction Grant Funds	$25,000,000
TOTAL:	**$27,500,000**

Note: Project Budget amounts represent grant funding amounts. If a budget for one phase is exceeded, funds from other phases of the project (i.e., Right of Way/Utilities) will be utilized if available. If available grant funding is insufficient, staff will return to the Board of Supervisors for direction.

Attachment C

Location Map

ATTACHMENT C – LOCATION MAP



Attachment D

Request for Proposals #10951

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COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES AND PARKS
1441 SCHILLING PLACE, SOUTH 2ND FLOOR
SALINAS, CA 93901-4527
(831) 755-4800

REQUEST FOR PROPOSALS #10951

For

PROFESSIONAL ENGINEERING SERVICES FOR CHUALAR WASTEWATER CONSOLIDATION PROJECT NO. C-06-8676-110

Proposals are due by 3:00 p.m. PST on Friday, April 25, 2025

APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL
SUSAN K. BLITCH, COUNTY COUNSEL

Signed by:
Mary Grace Perry
76A18B9BA72D498...

MARY GRACE PERRY
DEPUTY COUNTY COUNSEL

3/20/2025 | 3:24 PM PDT

Date

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SOLICITATION DETAILS SECTION

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1.0 INTENT

1.1 The County of Monterey Public Works, Facilities and Parks Department (PWFP), hereinafter referred to as "County", is soliciting proposals to provide **Professional Engineering Services for the Chualar Wastewater Consolidation, Project No. C-06-8676-110**, hereinafter referred to as "Project", as outlined within Section 5.0, Scope of Work. The purpose of this solicitation is to provide the County with a qualified firm or firms to provide engineering services, hereinafter referred to as "CONTRACTOR" or "CONTRACTORS". The objective of the CONTRACTOR is to evaluate options to repair/upgrade the Chualar Wastewater Treatment Plant, construct a new wastewater treatment plant, and to connect the Chualar wastewater collection system with the City of Salinas collection system for treatment at the Monterey One Water Regional Treatment and Recycling Facility. The Project will also evaluate options for connecting additional parcels outside of the existing Chualar wastewater collection system.

1.2 This solicitation is intended for a single, exclusive AGREEMENT.

2.0 BACKGROUND

2.1 The community of Chualar is an unincorporated census designated, disadvantaged community, within the unincorporated area of the County of Monterey which is within the jurisdictional boundaries of County Service Area 75 (CSA 75 – Chualar). The CSA-75 Chualar Wastewater System consists of a wastewater collection system within the community of Chualar and a wastewater treatment facility (WWTF) approximately two miles west of Chualar. The WWTF utilizes a series of unlined oxidation ponds to treat and dispose of wastewater. The ponds are adjacent to the Salinas River within the 100-year flood plain with no mechanism for reclaiming water for future reuse. CSA 75 is currently operating near capacity and cannot accept new wastewater connections.
The County of Monterey has long been interested in assessing the possibility of phasing out the oxidation ponds through implementation of a potentially cost-effective, regulatory compliant, environmentally superior, and sustainable replacement wastewater treatment system allowing for recycled wastewater reuse and facilitating the ability for the community of Chualar to expand.

On December 23, 2024, the Director PWFP received a formal grant offer and Agreement from the State Water Board to provide for a $2.5 million, 100% planning grant from the State of California - Clean Water State Revolving Fund (CWSRF) to support Chualar, a disadvantaged community. The Agreement was executed on January 23, 2025, and formally ratified and accepted by the Board of Supervisors on February 18, 2025.

The funding will be used to evaluate options to repair/upgrade the Chualar Wastewater Treatment Plant by constructing a new wastewater treatment plant, and/or connecting the Chualar wastewater collection system with the City of Salinas collection system for

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treatment at the Monterey One Water Regional Treatment and Recycling Facility. The Project will also evaluate options for connecting additional parcels outside of the existing Chualar wastewater collection system.

Preliminary design, environmental documents, probable cost estimate (including 20-year life cycle costs) and inter-agency agreements will be completed for the selected construction project. The work to be completed will include all technical materials necessary to comply with the requirements for preparation and submittal of a CWSRF Financial Assistance Application for actual construction of the selected project.

AGREEMENT NO. D2401012 BY AND BETWEEN COUNTY OF MONTEREY AND CALIFORNIA STATE WATER RESOURCES CONTROL BOARD ("State Water Board") is attached for reference in compiling responses to this Request for Proposals.

2.2 The Request for Proposals (RFP) #10951 seeks qualified CONTRACTORS who will abide by all local, state, and federal regulations and who are also capable of providing all necessary materials and supervision in the course of providing professional engineering services for the Project.

3.0 CALENDAR OF EVENTS

3.1	Release RFP	March 27, 2025
3.2	Deadline for Written Questions	5:00 p.m., PST, April 11, 2025
3.3	Posted Response to Written Questions	5:00 p.m., PST, April 16, 2025
3.4	Proposal Submittal Deadline	3:00 p.m., PST, April 25, 2025
3.5	Estimated Notification of Selection	May 2025
3.6	Estimated AGREEMENT Date	June 2025

This schedule is subject to change as necessary.

3.7 **FUTURE ADDENDA:** CONTRACTORS who received notification of this solicitation by means other than through a County mailing shall contact the person designated in the COUNTY POINT OF CONTACT herein to request to be added to the mailing list. Inclusion on the mailing list is the only way to ensure timely notification of any addenda and/or information that may be issued prior to the solicitation submittal date. **IT IS EACH CONTRACTOR'S SOLE RESPONSIBILITY TO ENSURE THAT THEY RECEIVE ANY AND ALL ADDENDA FOR THIS RFP** by either informing the County of their mailing information or by regularly checking the County's Solicitation

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Center web page at https://www.co.monterey.ca.us/government/departments-a-h/administrative-office/contracts-purchasing/solicitation-center. Addenda will be posted on the website the day they are released.

4.0 COUNTY POINT OF CONTACT

4.1 Questions and correspondence regarding this solicitation shall be directed to:

Primary Contact for the County:

Benny J. Young, Management Specialist
County of Monterey
Department of Public Works, Facilities and Parks
1441 Schilling Place South, 2nd Floor
Salinas, CA 93901-4527
Phone: (831) 755-5019
Email: youngb@countyofmonterey.gov

4.2 All questions regarding this solicitation shall be submitted in writing (email is acceptable and preferable). Answers to questions received by the County will be communicated to all known interested CONTRACTORS after the deadline for receipt of questions.

4.3 The deadline for submitting written questions regarding this solicitation is indicated in the **CALENDAR OF EVENTS** herein. Questions submitted after the deadline will not be answered.

4.4 Only answers to questions communicated by formal written addenda will be binding.

4.5 Prospective CONTRACTOR(s) shall not contact County officers or employees with questions or suggestions regarding this solicitation except through the primary contact person listed above. **Any unauthorized contact may be considered undue pressure and cause for disqualification of the CONTRACTOR(s).**

5.0 SCOPE OF WORK

1. Project Report and Preliminary Design

1.1 Prepare a Project Report that documents existing system conditions, evaluates project alternatives, and identifies required permits, environmental and design work, schedule, and budget for two possible construction projects. The Project Report will identify possible funding sources and include preliminary rate estimates for each alternative. The Project Report will also evaluate a 20-year life cycle cost as part of the financial analysis. The Project Report will include 10% design plans for the two possible construction projects. The Project Report will identify a Selected Construction Project

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and will comply with the Project Report requirements for a CWSRF Financial Assistance Application for Construction.

Item 1 Submittals:
a) **Draft Project Report – Estimated due date to State Water Board: 09/30/25.**
b) **Final Project Report – Estimated due date to State Water Board: 12/31/25.**

2. Plans and Specifications

2.1 Complete 30% Plans, Specifications, and Engineer's Opinion of Probable Cost for the Selected Construction Project.

Item 2 Submittals:
a) 30% Plans and Specifications and Engineer's Opinion of Probable Cost **Estimated due date to State Water Board: 5/31/26.**

3. Environmental Documents

3.1 Complete all necessary environmental documents for the Selected Construction Project, including California Environmental Quality Act (CEQA) and Federal Cross-Cutter Documents, to satisfy the CWSRF Financial Assistance Application for Construction requirements. CEQA Document will include an analysis of environmental alternatives for the Selected Construction Project, unless exempt.

Item 3 Submittals:
a) Draft Environmental Documents - **Estimated due date to State Water Board 7/31/26.**
b) Final Environmental Documents - **Estimated due date to State Water Board: 11/30/26.**

4. Governance Structure and Agency Agreements (if applicable)

4.1 Complete the necessary legal work and agency agreements for the Selected Construction Project.

Item 4 Submittals:
a) Draft Agency Agreements - **Estimated due date to State Water Board: 4/30/26.**
b) Final Agency Agreements - **Estimated due date to State Water Board: 4/30/28.**

5. Easement Identification

5.1 Identify the necessary permanent and temporary construction easements needed for the Selected Construction Project.

Item 5 Submittal:
a) Easement Summary Report - **Estimated due date to State Water Board: 8/10/26.**

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6. Permits and Related Studies

6.1 Create draft permit applications as identified for the Selected Construction Project in the Project Report. Submit applications as appropriate based on the Project schedule. This line item includes additional studies that may be required to support permit applications.

Item 6 Submittal:

a) Draft Permit Applications - **Estimated due date to State Water Board: 2/22/27.**

b) Permit Applications as Submitted (If applicable) - **Estimated due date to State Water Board 5/17/27.**

7. Financial Assistance Applications

7.1 Develop a draft Financial Package for the CWSRF Financial Assistance Application for Construction that includes the following:

a) CWSRF Potential Flags Worksheet;

b) Three years of audited financial statements or tax returns;

c) Budget projections for at least the next two fiscal years;

d) Rate adoption resolution or a copy of rates; and Schedule of related debt and debt document copies (if applicable), or a letter from the Authorized Representative stating the Recipient has no debt.

7.2 Submit a complete CWSRF Financial Assistance Application for Construction (General, Technical, Environmental, and Financial Packages, including all supporting materials) for the Selected Construction Project.

Item 7 Submittals:

a) Draft Financial Package for Construction - **Estimated due date to State Water Board: 3/31/27.**

b) Financial Assistance Application for Construction - **Estimated due date to State Water Board: 6/31/27.**

8. Project Administration

8.1 Perform necessary project administration duties including communicating with the State Water Board and professional contractors, submitting disbursement requests, submitting progress reports, and record keeping to fulfill requirements of the Agreement.

6.0 AGREEMENT TERM

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6.1 The term of the AGREEMENT will be for a period of three (3) years with the option to extend the AGREEMENT for two (2) additional years.

6.1.1 County is not required to state a reason if it elects not to renew.

6.2 If the AGREEMENT includes options for renewal or extension, CONTRACTOR must commence negotiations for any desired rate changes a minimum of ninety (90) days prior to the expiration of the AGREEMENT.

6.2.1 Both parties must agree upon rate extension(s) or changes in writing.

6.3 The AGREEMENT shall contain a clause that provides that County reserves the right to cancel the AGREEMENT, or any extension of the AGREEMENT, without cause, with a thirty (30) day written notice, or immediately with cause.

7.0 LICENSING/SECURITY REQUIREMENTS

7.1 CONTRACTOR shall ensure that all services, costs, and materials must, at minimum, meet the specifications for the State of California and the Division of Occupational Safety and Health (Cal-OSHA) regulations, as applicable.

7.2 CONTRACTOR shall ensure that insurance and required licenses under both state and local jurisdictions are current during the full term of the AGREEMENT.

8.0 PROPOSAL/QUALIFICATIONS PACKAGE REQUIREMENTS

8.1 CONTENT AND LAYOUT:

8.1.1 CONTRACTOR should provide the information as requested and as applicable to the proposed goods and services. The proposal package shall be organized as per the table below; headings and section numbering utilized in the proposal package shall be the same as those identified in the table. Proposal packages shall include, at a minimum, but not limited to, the following information in the format indicated:

Proposal or Qualifications Package Layout; Organize and Number Sections as Follows:	
Section 1	COVER LETTER (INCLUDING CONTACT/FIRM INFORMATION)
	SIGNED SIGNATURE PAGE
	SIGNED ADDENDA (IF ANY)

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	TABLE OF CONTENTS
Section 2	PROPOSED SCOPE OF WORK QUALIFICATIONS
	LICENSING AND WORK QUALIFICATIONS
Section 3	ASSIGNED KEY STAFF RESUMES
	RELATED PROJECT EXPERIENCE
	REFERENCES
Section 4	ENVIRONMENTALLY FRIENDLY PRACTICES
Section 5	PRICING (ATTACHMENT B) **(SUBMIT FEE SCHEDULE AND COST PROPOSAL IN SEPARATE SEALED ENVELOPE)**
Section 6	EXCEPTIONS
Section 7	APPENDIX

Section 1 Requirements:

Cover Letter: All proposals must be accompanied by a cover letter not exceeding two (2) pages and should provide contact and firm information as follows:

Contact Information: The name, address, and telephone number of CONTRACTOR's primary contact person during the solicitation process through to potential AGREEMENT award.

Firm Information: Description of the type of organization (e.g., corporation, partnership, including joint venture teams and subcontractors) and how many years it has been in existence.

Signed Signature Page and Signed Addenda (if any addenda were released for this solicitation). Any proposal or qualifications package submitted without this page will be deemed non-responsive. All signatures must be manual and in BLUE ink. All prices and notations must be typed or written in BLUE ink. Errors may be crossed out and corrections printed in BLUE ink or typed adjacent, and must be initialed in BLUE ink by the person signing the proposal.

Table of Contents

Section 2, Pre-Qualifications/Licensing Requirements:

Pre-Qualifications/Licensing: CONTRACTOR must acknowledge in writing that it meets all the pre-qualifications and licensing requirements as set forth in Section 7.0, Licensing/Security Requirements, herein.

Section 3, Project Experience & References:

Key Staff Persons: CONTRACTOR shall identify key staff and their qualifications and experience proposed for the service identified herein.

Experience & References: CONTRACTOR shall describe at least three (3) similar projects for which it provided services like the scope of work described

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herein. Please include phone number and email address if possible as the County will conduct reference checks using this information.

Violations: CONTRACTOR shall submit copies of all notices of violations, corrective action notices, enforcement actions or orders, warning notices, writings, or other forms of permit violation/non-compliance documentation (such as Cal-OSHA notices) received by CONTRACTOR, or any business organization owned or operated by the CONTRACTOR, which are its parent company and/or subsidiaries, from any public agency during 2020 up to and including the present day.

Section 4, Environmentally Friendly Practices:

CONTRACTOR shall summarize all environmentally friendly practices it adheres to while doing business as relevant to the County's Climate-Friendly Purchasing Policy at:
https://www.co.monterey.ca.us/home/showpublisheddocument/22305/636241459023900000.

CONTRACTOR shall indicate whether it is a 'Green Certified' Business and state which governing authority administered the certification.

Section 5, Pricing: (ATTACHMENT B) (Submit in separate sealed envelope.)

CONTRACTOR shall complete and submit ATTACHMENT B – PRICING attached hereto, which includes a Fee Schedule and Cost Proposal by task, and submit within their proposal package in a separate sealed envelope. Fees may be negotiated after the tentative award announcement is made for this solicitation. If fee negotiations with the firm determined most qualified are not successful, and/or the fees discussed are outside the budgetary constraints for the Project, County reserves the right to suspend negotiations with the most qualified firm, and proceed to second most qualified firm, and so on.

Selection of CONTRACTOR shall be based on qualifications per the Selection Criteria listed herein.

Section 6, Exceptions:

Submit all exceptions to this solicitation on separate pages, and clearly identify the top of each page with "EXCEPTION TO COUNTY OF MONTEREY REQUEST FOR PROPOSALS #10951". Each exception shall reference the page number and section number, as appropriate. CONTRACTOR should note that the submittal of an exception does not obligate the County to revise the terms of the RFP or AGREEMENT.

Section 7, Appendix:

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Appendices: CONTRACTOR may provide any additional information that it believes to be applicable to this proposal or qualifications package and include such information in an Appendix section.

8.2 **ADDITONAL REQUIREMENTS:** To be considered "responsive", submitted proposal packages shall adhere to the following:

8.2.1 Three (3) sets of the proposal package (one [1] original proposal marked "Original" plus two [2] copies) shall be submitted in response to this solicitation. Each copy shall include a cover indicating the company name submitting, and reference to "RFP #10951". In addition, submit one (1) electronic version of the entire proposal package on a digital media, or USB memory stick. Additional copies may be requested by the County at its discretion.

8.2.2 Proposal package shall be prepared on 8-1/2" x 11" paper, preferably duplex printed bound with front and back covers. Fold out charts, tables, spreadsheets, brochures, pamphlets, and other pertinent information or work product examples may be included as appendices.

8.2.3 Reproductions of the County of Monterey Seal shall not be used in any documents submitted in response to this solicitation.

8.2.4 CONTRACTOR shall not use white-out or a similar correction product to make late changes to their proposal or qualifications package but may instead line out and initial in BLUE ink any item which no longer is applicable or accurate.

8.2.5 To validate your proposal or qualifications package, **submit the SIGNATURE PAGE (contained herein) with your proposal**. Proposal packages submitted without that page will be deemed non-responsive. Proposal signature must be manual, in BLUE ink, and included with the original copy of the proposal. Photocopies of the Signature Page may be inserted into the remaining proposal copies. All prices and notations must be typed or written in BLUE ink in the original proposal copy as well. Errors may be crossed out and corrections printed in BLUE ink or typed adjacent and must be initialed in BLUE ink by the person signing the proposal.

8.3 **CONFIDENTIAL OR PROPRIETARY CONTENT:** All proposals become the property of the County, which is a public agency subject to disclosure requirements of the California Public Records Act ("CPRA"). If CONTRACTOR proprietary information is contained in documents submitted to County, and CONTRACTOR claims that such information falls within one (1) or more CPRA exemptions, CONTRACTOR must clearly mark such information "CONFIDENTIAL AND PROPRIETARY" and identify the specific lines containing the information. In the event of a request for such information, the County will make best efforts to provide notice to CONTRACTOR prior to such disclosure. If CONTRACTOR contends that any documents are exempt from the CPRA and wishes to prevent disclosure, it is required to obtain a protective order, injunctive relief or other appropriate remedy from a court of law in the County of

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Monterey before the County's deadline for responding to the CPRA request. If CONTRACTOR fails to obtain such remedy within County's deadline for responding to the CPRA request, County may disclose the requested information. CONTRACTOR further agrees that it shall defend, indemnify, and hold County harmless against any claim, action or litigation (including but not limited to all judgments, costs, fees, and attorney's fees) that may result from denial by County of a CPRA request for information arising from any representation, or any action (or inaction), by the CONTRACTOR.

9.0 SUBMITTAL INSTRUCTIONS & CONDITIONS

9.1 Submittal Identification Requirements: ALL SUBMITTALS MAILED OR DELIVERED CONTAINING PROPOSAL PACKAGES MUST BE SEALED AND BEAR ON THE OUTSIDE, PROMINENTLY DISPLAYED IN THE LOWER LEFT CORNER THE SOLICITATION NUMBER: **RFP #10951 and CONTRACTOR'S COMPANY NAME.**

9.2 Mailing Address: Proposal packages shall be mailed to County at the mailing address indicated on the **Signature Page** of this solicitation.

9.3 Due Date: Proposal packages must be received by County ON OR BEFORE the time and date specified, at the location and to the person specified on the **Signature Page** of this solicitation. It is the sole responsibility of the CONTRACTOR to ensure that the proposal package is received at or before the specified time. Postmarks and facsimiles are not acceptable. Proposals received after the deadline shall be rejected and returned unopened.

9.4 Shipping Costs: Unless stated otherwise, the Free on Board (FOB) for receivables shall be destination. Charges for transportation, containers, packaging, and other related shipping costs shall be borne by the shipper.

9.5 Acceptance: Proposals are subject to acceptance at any time within ninety (90) days after opening. County reserves the right to reject any and all proposal packages, or part of any proposal package, to postpone the scheduled deadline date(s), to make an award in its own best interest, and to waive any informalities or technicalities that do not significantly affect or alter the substance of an otherwise responsible proposal package and that would not affect a CONTRACTOR's ability to perform the work adequately as specified.

9.6 Ownership: All submittals in response to this solicitation become the property of the County of Monterey. If a CONTRACTOR does not wish to submit a proposal package but wishes to acknowledge the receipt of the request, the reply envelope shall be marked "No Bid".

9.7 Compliance: Proposal packages that do not follow the format, content and submittal requirements as described herein, or fail to provide the required documentation, may receive lower evaluation scores, or be deemed non-responsive.

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9.8 Cal-OSHA: The items proposed shall conform to all applicable requirements of the California Occupational Safety and Health Administration Act of 1973 (Cal-OSHA).

10.0 SELECTION CRITERIA

10.1 The selection of CONTRACTOR and subsequent AGREEMENT award(s) will be based on the criteria contained in this solicitation, as demonstrated in the submitted proposal. CONTRACTOR should submit information sufficient for the County to easily evaluate proposals with respect to the selection criteria. The absence of required information may cause the proposal to be deemed non-responsive and may be cause for rejection.

10.2 The selection criteria include the following: **(100 points total).**

SELECTION CRITERIA	**Max Possible Score**
Project Understanding and Approach/Work Plan, and demonstrated capacity to fulfill scope of work	35
Experience of Key Project staff assigned to Project	25
Experience in successfully completing similar projects	25
References	15
TOTAL	**100**

10.3 To the extent of personnel and equipment are to be provided under this AGREEMENT, CONTRACTOR, if so requested, shall afford the County an opportunity to inspect CONTRACTOR's equipment prior to award of the AGREEMENT.

10.4 The award resulting from this RFP will be made to the CONTRACTOR that submits a response that, in the sole opinion of the County, best serves the overall interest of the County.

10.5 The award made from this RFP may be subject to approval by the County Board of Supervisors.

11.0 PRICING

11.1 CONTRACTOR will complete ATTACHMENT B - PRICING for the provision of services as outlined within this RFP.

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11.2 CONTRACTOR prices stated in ATTACHMENT B - PRICING shall be effective from the date the proposal is submitted to the day the AGREEMENT is awarded and through the initial term of the AGREEMENT.

11.3 Prior to the start of the Project, the County and CONTRACTOR will mutually agree upon the budget for the Project.

11.3.1 A Cost Proposal shall be submitted with ATTACHMENT B – PRICING in a separate sealed envelope. Cost Proposal shall be based on Cost-Plus fixed Fee Schedule.

11.4 Invoicing by CONTRACTOR will clearly itemize but is not limited to the following:

11.4.1 County Department receiving services.

11.4.2 Multi-year Agreement (MYA) number.

11.4.3 Delivery Order (DO) number under which the invoice is to be charged.

11.4.4 Project name and services provided.

11.4.5 Date(s) of services.

11.5 Travel/Mileage

11.5.1 Any travel/mileage must be agreed upon and approved by the County in writing prior to services being performed.

11.5.2 Travel/mileage must adhere to the current rate per mile at the time of service as provide by the California Department of Human Resources (CAL HR). Rates are listed at: https://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx

11.5.3 Travel/mileage fees must be listed as a line-item within the corresponding invoice for associated services.

11.5.3.1 Travel/mileage fees more than the CAL HR rate at the time services are provided will not be processed. CONTRACTOR must correct the invoice containing the incorrect fee to adhere to the current CAL HR rates at the time of service prior to processing of invoice.

12.0 INDEMNIFICATION:

12.1 For purposes of the following indemnification provisions ("Indemnification Agreement"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification Agreement is found to be invalid, in violation of public policy or unenforceable to any extent, such finding

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shall not invalidate any other term or provision of this Indemnification Agreement and such other terms and provisions shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this Indemnification Agreement and the provisions of California Civil Code Sections 2782 or 2782.8, the broadest indemnity protection for County under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

12.2 Indemnification for Design Professional Services Claims:
CONTRACTOR shall indemnify, defend and hold harmless County, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of CONTRACTOR, its employees, subcontractors, and agents in the performance of design professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or willful misconduct of County, or defect in a design furnished by County, but in no event shall the amount of such CONTRACTOR's liability exceed such CONTRACTOR's proportionate percentage of fault as determined by a court, arbitrator or mediator, or as set out in a settlement agreement. In the event one (1) or more defendants to any action involving such claim or claims against County is unable to pay its share of defense cost due to bankruptcy or dissolution of the business, such CONTRACTOR shall meet and confer with the other parties to such action regarding unpaid defense costs.

12.3 Indemnification for All Other Claims or Loss:
For any claim, loss, injury, damage, e:x:pense .or liability other than claims arising out of CONTRACTOR's performance of design professional services under this Agreement, CONTRACTOR shall indemnify, defend and hold harmless County, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, arising from or related to the performance of services under this Agreement by CONTRACTOR, its employees, subcontractors or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of County, or defect in a design furnished by County.

13.0 INSURANCE REQUIREMENTS

13.1 Evidence of Coverage:
Prior to commencement of this agreement, ·the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Division, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such,

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insurance has been approved by the County. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

13.2 Qualifying Insurers:
All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

13.3 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: ·any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto· insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services.

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If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)
If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

13.4 Other Requirements:
All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written bn an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:
The County of Monterey, its officers, officials, employees, and, volunteers, are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 IO, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:
For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance

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maintained by the County, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Waiver of Subrogation:
CONTRACTOR hereby grants to County a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the County by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

14.0 AGREEMENT AWARD

13.1 No Guaranteed Value: County does not guarantee a minimum or maximum dollar value for any AGREEMENT resulting from this solicitation.

13.2 Board of Supervisors: The award made from this solicitation may be subject to approval by the County Board of Supervisors.

13.3 Interview: County reserves the right to interview selected CONTRACTOR before an AGREEMENT is awarded. The costs of attending any interview are the CONTRACTOR’s responsibility.

13.4 Incurred Costs: County is not liable for any costs incurred by CONTRACTOR in response to this solicitation.

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13.5 Notification: All CONTRACTORS who have submitted a proposal or qualifications package will be notified of the final decision as soon as it has been determined.

13.6 In County's Best Interest: The award(s) resulting from this solicitation will be made to the CONTRACTOR that submits a response that, in the sole opinion of County, best serves the overall interest of County.

14.0 PREVAILING WAGE

If applicable, CONTRACTOR shall comply with provisions of the Labor Code (sections 1720, et seq.) governing public works, including payment of prevailing wages, payroll records and employment of apprentices. Copies of the determination of the general prevailing rate of per diem wages are available to interested parties at: http://www.dir.ca.gov/public-works/prevailing-wage.html.

15.0 SEQUENTIAL AGREEMENT NEGOTIATION

County will pursue AGREEMENT negotiations with the CONTRACTOR who submits the best proposal or is deemed the most qualified in the sole opinion of County, and which is in accordance with the criteria as described within this solicitation. If the AGREEMENT negotiations are unsuccessful, in the opinion of either County or CONTRACTOR, County may pursue AGREEMENT negotiations with the entity that submitted a proposal which County deems to be the next best qualified to provide the services, or County may issue a new solicitation or take any other action which it deems to be in its best interest.

16.0 AGREEMENT TERMS AND CONDITIONS

CONTRACTOR selected through the solicitation process will be expected to execute a formal AGREEMENT with County for the provision of the requested service. The AGREEMENT shall be written by County in a standard format approved by the Office of the County Counsel, that is similar to the AGREEMENT in the SAMPLE AGREEMENT SECTION. Submission of a signed proposal and the **SIGNATURE PAGE** will be interpreted to mean CONTRACTOR HAS AGREED TO ALL THE TERMS AND CONDITIONS set forth in the pages of this solicitation and the standard provisions included in the **SAMPLE AGREEMENT SECTION** herein. County may but is not required to consider including language from the CONTRACTOR's proposed AGREEMENT, and any such submission shall be included in the Exceptions Section of CONTRACTOR's proposal.

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17.0 COLLUSION

CONTRACTOR shall not conspire, attempt to conspire, or commit any other act of collusion with any other interested party for the purpose of secretly, or otherwise, establishing an understanding regarding rates or conditions to the solicitation that would bring about any unfair conditions.

18.0 RIGHTS TO PERTINENT MATERIALS

All responses, inquiries, and correspondence related to this solicitation and all reports, charts, displays, schedules, exhibits, and other documentation produced by the CONTRACTOR that are submitted as part of the submittal will become the property of the County when received by the County **and may be considered public information under applicable law.** Any proprietary information in the submittal must be identified as such and marked "CONFIDENTIAL INFORMATION" or "PROPRIETARY INFORMATION", in conformity with the specific requirements set forth in Section 8.3, above. The County will not disclose proprietary information to the public, unless required by law; however, the County cannot guarantee that such information will be held confidential. **As a California government entity, County is subject to the California Public Records Act (CPRA) and other public transparency laws and, as such, cannot guarantee the confidentiality of information marked confidential or proprietary.** County will respond to requests for disclosure of records related to this solicitation in accord with applicable law on disclosure requirements and exemptions to disclosure.

SAMPLE AGREEMENT SECTION

The COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES WITH SURVEYORS, ARCHITECTS, ENGINEERS & DESIGN PROFESSIONALS ($100,000 OR MORE) with all terms and conditions (which are hereby incorporated by reference as though set forth entirely herein) may be viewed at: https://www.countyofmonterey.gov/government/departments-a-h/administrative-office/contracts-purchasing/agreement-templates

ATTACHMENTS/EXHIBITS AND SIGNATURE PAGE

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SIGNATURE PAGE

COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES, & PARKS

RFP #10951
RELEASE DATE: March 27, 2025

RFP TITLE: Professional Engineering Services for Chualar wastewater Consolidation
Project No. C-06-8676-110

PROPOSALS ARE DUE AT THE DEPARTMENT OF PUBLIC WORKS, FACILITIES, & PARKS BY 3:00 P.M., PSA, ON FRIDAY, April 25, 2025.

MAILING ADDRESS:
COUNTY OF MONTEREY
DEPARTMENT OF PUBLIC WORKS, FACILITIES, & PARKS
1441 SCHILLING PLACE, SOUTH 2nd FLOOR
SALINAS, CA 93901-4527

QUESTIONS ABOUT THIS RFP SHOULD BE DIRECTED TO:
Benny J. Young, Management Specialist
Email: youngb@countyofmonterey.gov, Phone: (831) 755-5019

CONTRACTOR MUST INCLUDE THE FOLLOWING IN EACH PROPOSAL:

☐ ALL REQUIRED CONTENT AS DEFINED PER SECTION 8.0 HEREIN

This Signature Page must be included with your submittal to validate your proposal.
Proposals submitted without this page will be deemed non-responsive.

☐ **CHECK HERE IF YOU HAVE ANY EXCEPTIONS TO THIS SOLICITATION.**

CONTRACTOR MUST COMPLETE THE FOLLOWING TO VALIDATE PROPOSAL
I hereby agree to furnish the articles and/or services stipulated in my proposal at the price quoted, subject to the instructions and conditions in the RFP. I further attest that I am an official officer representing my firm and authorized with signatory authority to present this proposal package.

Company Name: _____ Date: _____

Signature: _____ Printed Name/Title: _____

Street Address: _____

City: _____ State: _____ Zip: _____

Phone: ( ) _____ Email: _____

License No. (If applicable): _____

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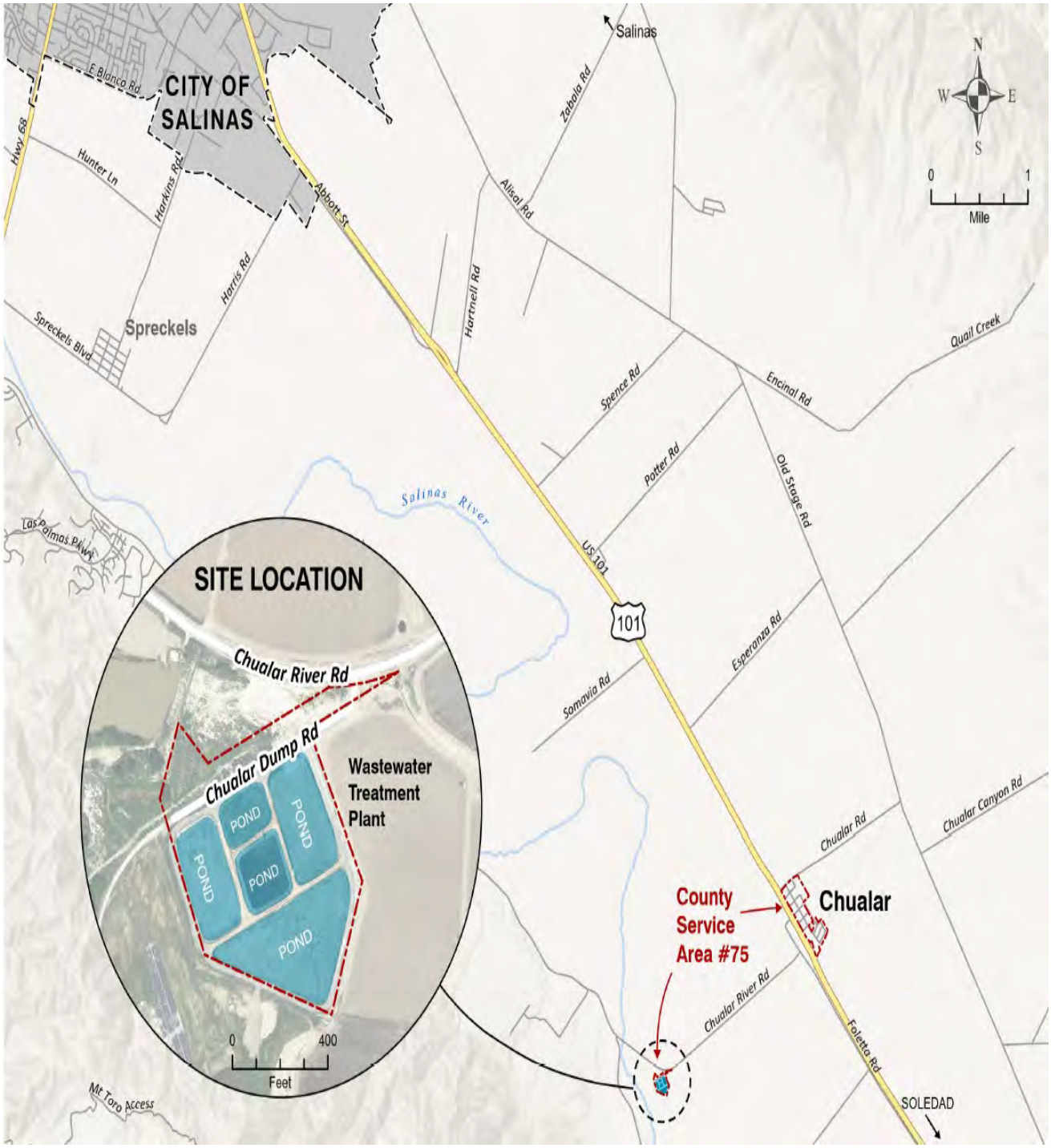
License Classification (If applicable): _____

ATTACHMENT A – CHUALAR LOCATION MAP



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ATTACHMENT B – PRICING

Sample Cost Proposal 1

Cost-Plus-Fixed Fee or lump sum or Firm Fixed Price contracts

(Design, Engineering and Environmental Studies)

Note: Mark-ups are Not Allowed ☐ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Consultant		Project No.	
Contract No.		Date	

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
(Project Manager)*				$0.00
(Sr. Civil Engineer)				$0.00
(Envir. Scientist)				$0.00
(Inspector)**				$0.00

LABOR COSTS

a) Subtotal Direct Labor Costs

b) Anticipated Salary Increase (see page 2 for calculation)

c) **TOTAL DIRECT LABOR COSTS** [(a) + (b)] $0.00

INDIRECT COSTS

d) Fringe Benefits (Rate: %)

e) Total Fringe Benefits [(c) x (d)] $0.00

f) Overhead (Rate: %)

g) Overhead [(c) x (f)] $0.00

h) General and Administrative (Rate: %)

i) Gen & Admin [(c) x (h)] $0.00

j) **Total Indirect Costs** [(e) + (g) + (i)] $0.00

FIXED FEE

q) Fixed Fee (Rate: %)

k) **TOTAL FIXED FEE** [(c) + (j)] x (q) $0.00

l) **CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE (Add additional pages if necessary)**

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage Costs				$0.00
Equipment Rental and Supplies				$0.00
Permit Fees				$0.00

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Plan Sheets				$0.00
Test				$0.00

l) **TOTAL OTHER DIRECT COSTS** $0.00

m) **SUBCONSULTANTS' COSTS (Add additional pages if necessary)**

	Subconsultant's Name	**Cost**
Subconsultant 1:		$0.00
Subconsultant 2:		$0.00
Subconsultant 3:		$0.00
Subconsultant 4:		$0.00

m) **TOTAL SUBCONSULTANTS' COSTS** $0.00

n) Total Other Direct Costs INCLUDING SUBCONSULTANTS [(l)+(m)] $0.00

TOTAL COST [(c) + (j) + (k) + (n)] $0.00

NOTES:

1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.

2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.

3. Anticipated salary increases calculation (page 2) must accompany.

– End of Attachment B –

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ATTACHMENT C – GRANT APPLICATION

ATTACHMENT D – EXHIBIT B – FEDERAL PROVISIONS

Clean Water
State Revolving Fund

CLEAN WATER PLANNING
LOAN (PRINCIPAL FORGIVENESS)

AGREEMENT NO. D2401012

BY AND BETWEEN

COUNTY OF MONTEREY (“Recipient”)

AND

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD (“State Water Board”)

CALIFORNIA
Water Boards
STATE WATER RESOURCES CONTROL BOARD
REGIONAL WATER QUALITY CONTROL BOARDS

FOR THE PURPOSE OF THE

CHUALAR WASTEWATER CONSOLIDATION (“Project”)

PROJECT NO. C-06-8676-110

- Section 13475 et seq. of the Water Code, and Resolution Nos. 2024-0026 and 2019-0064.

PROJECT FUNDING AMOUNT: $2,500,000.00
PRINCIPAL FORGIVENESS COMPONENT: $2,500,000.00
ESTIMATED REASONABLE PROJECT COST: $2,500,000.00

ELIGIBLE WORK START DATE: JULY 14, 2021
WORK COMPLETION DATE: JUNE 30, 2028
FINAL REIMBURSEMENT REQUEST DATE: SEPTEMBER 30, 2028
RECORDS RETENTION END DATE: JUNE 30, 2064

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1. The State Water Board and the Recipient mutually promise, covenant, and agree to the terms, provisions, and conditions of this Agreement, including the following Exhibits, which are attached hereto or are incorporated by reference:

   - EXHIBIT A – SCOPE OF WORK AND SCHEDULE
   - EXHIBIT B – FUNDING PROVISIONS
   - EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV
   - EXHIBIT D – SPECIAL CONDITIONS

2. The following documents are also incorporated by reference, as well as any documents incorporated by reference in Exhibit D:

   - the Waste Discharge Requirement Order No. R1- 01-038 and any amendments thereto

3. Party Contacts during the term of this Agreement are:

State Water Board		County of Monterey	
Section:	Division of Financial Assistance		
Name:	Matt Chambers, Project Manager	Name:	Randell Ishii, Director of Department of Public Works, Facilities, and Parks
Address:	1001 I Street, 16th Floor	Address:	1441 Schilling Place
City, State, Zip:	Sacramento, CA 95814	City, State, Zip:	Salinas, CA 93901
Phone:	(916) 341-5723	Phone:	(831) 755-4800
Email:	Matthew.Chambers@waterboards.ca.gov	Email:	ishiir@countyofmonterey.gov

Each party may change its contact upon written notice to the other party. While Party Contacts are contacts for day-to-day communications regarding Project work, the Recipient must provide official communications and notices to the Division's Deputy Director in addition to the Party Contacts.

4. Conditions precedent to this Agreement are set forth as follows:
   (a) The Recipient must deliver to the Division a resolution authorizing this Agreement and identifying its authorized representative by title.
   (b) The Recipient must deliver an opinion of general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement.

5. The Recipient represents, warrants, and commits to the following as of the Eligible Work Start Date and continuing thereafter for the term of this Agreement, which shall be at least until the Records Retention End Date:

   (a) The Recipient agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents.

   (b) The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

(c) None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. The Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Recipient is able to pay its debts as they become due. The Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employer liability, professional liability.

(d) The Recipient is in compliance with all State Water Board funding agreements to which it is a party.

6. This Agreement, and any amendments hereto, may be executed and delivered in any number of counterparts, each of which when delivered shall be deemed to be an original, but such counterparts shall together constitute one document. The parties may sign this Agreement, and any amendments hereto, either by an electronic signature using a method approved by the State Water Board or by a physical, handwritten signature. The parties mutually agree that an electronic signature using a method approved by the State Water Board is the same as a physical, handwritten signature for the purposes of validity, enforceability, and admissibility.

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

COUNTY OF MONTEREY:

By: Randell Y. Ishii
Name: Randell Ishii
Title: Director of Public Works, Facilities, and Parks

Date: Dec 23, 2024

STATE WATER RESOURCES CONTROL BOARD:

By: J. Karkoski
Name: Joe Karkoski
Title: Deputy Director
Division of Financial Assistance

Date: Jan 23, 2025

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EXHIBIT A – SCOPE OF WORK AND SCHEDULE

A.1 PROJECT PURPOSE AND DESCRIPTION.

The Project is for the benefit of the Recipient. The funding under this Agreement will be used to evaluate options to repair/upgrade the Chualar Wastewater Treatment Plant, construct a new wastewater treatment plant, and to connect the Chualar wastewater collection system with the City of Salinas collection system for treatment at the Monterey One Water Regional Treatment and Recycling Facility. The Project will also evaluate options for connecting additional parcels outside of the existing Chualar wastewater collection system.

The Recipient will complete the necessary preliminary design, environmental documents, and necessary inter-agency agreements for the Selected Construction Project.

A.2 SCOPE OF WORK.

ITEM	DESCRIPTIONS
1	Project Report and Preliminary Design
	1.1 Prepare a Project Report that documents existing system conditions, evaluates project alternatives, and identifies required permits, environmental and design work, schedule, and budget for two possible construction projects. The Project Report will identify possible funding sources and include preliminary rate estimates for each alternative. The Project Report will also evaluate a 20-year life cycle cost as part of the financial analysis. The Project Report will include 10% design plans for the two possible construction projects. The Project Report will identify a Selected Construction Project and will comply with the Project Report requirements for a CWSRF Financial Assistance Application for Construction. Item 1 Submittals: a) Draft Project Report b) Final Project Report
2	Plans and Specifications
	2.1 Complete 30% Plans, Specifications, and Engineer's Opinion of Probable Cost for the Selected Construction Project. Item 2 Submittals: a) 30% Plans and Specifications and Engineer's Opinion of Probable Cost
3	Environmental Documents
	3.1 Complete all necessary environmental documents for the Selected Construction Project, including California Environmental Quality Act (CEQA) and Federal Cross-Cutter Documents, to satisfy the CWSRF Financial Assistance Application for Construction requirements. CEQA Document will include an analysis of environmental alternatives for the Selected Construction Project, unless exempt. Item 3 Submittals: a) Draft Environmental Documents b) Final Environmental Documents

ITEM	DESCRIPTIONS
4	Governance Structure and Agency Agreements (if applicable)
	4.1 Complete the necessary legal work and agency agreements for the Selected Construction Project. Item 4 Submittal: a) Draft Agency Agreements b) Final Agency Agreements
5	Easement Identification
	5.1 Identify the necessary permanent and temporary construction easements needed for the Selected Construction Project. Item 5 Submittal: a) Easement Summary Report
6	Permits and Related Studies
	6.1 Create draft permit applications as identified for the Selected Construction Project in the Project Report. Submit applications as appropriate based on the Project schedule. This line item includes additional studies that may be required to support permit applications. Item 6 Submittal: a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)
7	Financial Assistance Applications
	7.1 Submit a complete CWSRF Financial Assistance Application for Planning or Design. 7.2 Develop a draft Financial Package for the CWSRF Financial Assistance Application for Construction that includes the following: a) CWSRF Potential Flags Worksheet; b) Three years of audited financial statements or tax returns; c) Budget projections for at least the next two fiscal years; d) Rate adoption resolution or a copy of rates; and Schedule of related debt and debt document copies (if applicable), or a letter from the Authorized Representative stating the Recipient has no debt. 7.3 Submit a complete CWSRF Financial Assistance Application for Construction (General, Technical, Environmental, and Financial Packages, including all supporting materials) for the Selected Construction Project. Item 7 Submittal: a) Draft Financial Package for Construction b) Financial Assistance Application for Construction
8	Project Administration
	8.1 Perform necessary project administration duties including communicating with the State Water Board and professional contractors, submitting disbursement requests, submitting progress reports, and record keeping to fulfill the requirements of the Agreement. Item 8 Submittal: N/A

A.3 SCHEDULE.

Failure to provide items by the due dates indicated in the table below may constitute a material violation of this Agreement. The Project Manager may adjust the dates in the "Estimated Due Date" column of this table, but Critical Due Date adjustments will require an amendment to this Agreement. The Recipient must complete and submit all work in time to be approved by the Division prior to the Work Completion Date. As applicable for specific submittals, the Recipient must plan adequate time to solicit, receive, and address comments prior to submitting the final submittal. The Recipient must submit the final Reimbursement Request prior to the Final Reimbursement Request Date set forth on the Cover Page.

ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE
EXHIBIT A – SCOPE OF WORK			
	WORK TO BE PERFORMED BY RECIPIENT		
1	Project Report and Preliminary Design a) Draft Project Report b) Final Project Report	 N/A N/A	 September 30, 2025 December 31, 2025
2	Plans and Specifications a) 30% Draft, Plans, Specifications, and Engineer's Opinion of Probable Cost	N/A	May 31, 2026
3	Environmental Documents a) Draft Environmental Documents b) Final Environmental Documents	 N/A N/A	 July 31, 2026 November 30, 2026
4	Governance Structure and Agency Agreements (if applicable) a) Draft Agency Agreements b) Final Agency Agreements	 N/A N/A	 April 30, 2026 April 30, 2028
5	Easement Identification a) Easement Summary Report	N/A	August 10, 2026
6	Permits and Related Studies a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)	 N/A N/A	 February 22, 2027 May 17, 2027
7	Financial Assistance Applications a) Draft Financial Package for Construction b) Financial Assistance Application for Construction	 N/A N/A	 March 31, 2027 June 31, 2027
8	Project Administration N/A	N/A	N/A
9	Work Completion Date	June 30, 2028	N/A
EXHIBIT B – REIMBURSEMENTS, BUDGET DETAIL, AND REPORTING PROVISIONS			
	REIMBURSEMENTS		
10	Reimbursement Requests	As Needed	
11	Final Reimbursement Request	September 30, 2028	N/A
	REPORTS		
12	Progress Reports	Quarterly	
13	As Needed Reports.	As Needed	

The Recipient must deliver any request for extension of the Work Completion Date no less than 90 days prior to the Work Completion Date.

The Division may require corrective work to be performed prior to Project Completion. Any work occurring after the Work Completion Date will not be reimbursed under this Agreement.

A.4 PROGRESS REPORTS.

The Recipient must provide a progress report to the Division each quarter, beginning no later than 90 days after execution of this Agreement. The Recipient must provide a progress report with each Reimbursement Request. Failure to provide a complete and accurate progress report may result in the withholding of Project Funds. A progress report must contain the following information:

1) A summary of progress to date including a description of progress since the last report, amount budgeted, amount spent, and percent completion for each task;
2) Statement indicating if all critical due dates are on track;
3) Statement indicating if all deliverable due dates are on track;
4) A description of compliance with any special conditions; and
5) Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.

A.5 DISADVANTAGED BUSINESS ENTERPRISE REPORTS.

The Recipient shall comply with the Disadvantaged Business Enterprises (DBE) requirements in 40 CFR § 33.301 for the Project and require its contractors and subcontractors on the Project to comply. 40 CFR § 33.301 requires the use of good faith efforts to utilize DBE's whenever procuring construction, equipment, services, and supplies. The Recipient must report DBE utilization to the Division on the DBE Utilization Report, State Water Board Form DBE UR334. The Recipient must submit such reports to the Division annually within ten (10) calendar days following October 1 until such time as the "Notice of Completion" is issued.

EXHIBIT B – FUNDING PROVISIONS

B.1 ESTIMATED REASONABLE COST AND PROJECT FUNDS.

The estimated reasonable cost of the total Project is set forth on the Cover Page of this Agreement, and is greater than or equal to the funding anticipated to be provided by the State Water Board under this Agreement. Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds not to exceed the amount of the Project Funding Amount set forth on the Cover Page of this Agreement.

B.2 RECIPIENT CONTRIBUTIONS.

The Recipient must pay any and all costs connected with the Project including, without limitation, any and all Project Costs. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient must nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.

The loan component of this Agreement is forgiven. The estimated amount of principal that will be due to the State Water Board from the Recipient under this Agreement is Zero dollars and no cents ($0.00).

B.3 VERIFIABLE DATA.

Upon request by the Division, the Recipient must submit verifiable data to support deliverables specified in the Scope of Work. The Recipient's failure to comply with this requirement may be construed as a material breach of this Agreement.

B.4 BUDGET COSTS

Budget costs are contained in the Summary Project Cost Table below:

DESCRIPTION	PROJECT FUNDING AMOUNT	TOTAL ESTIMATED COSTS
Project Report and Preliminary Design	$420,000	$420,000
Plans and Specifications	$540,000	$540,000
Environmental Documents	$380,000	$380,000
Governance Structure and Agency Agreements	$310,000	$310,000
Easement Identification	$310,000	$310,000
Permit and Related Studies	$140,000	$140,000
Financial Assistance Applications	$50,000	$50,000
Project Administration	$350,000	$350,000
TOTAL	$2,500,000	$2,500,000

The Division's Form 260 and Form 261 will document a more detailed budget of eligible Project Costs and Project funding amounts.

The Recipient is prohibited from requesting disbursement amounts that represent Recipient's mark-ups to costs invoiced or otherwise requested by consultants or contractors.

Project Costs incurred prior to the Eligible Work Start Date on the cover page of this Agreement are not eligible for reimbursement.

Reasonable indirect costs may be allowable upon approval by the Division.

B.5 LINE ITEM ADJUSTMENTS.

Subject to the prior review and approval of the Division, adjustments between existing budget line items may be used to defray allowable direct costs. Budget adjustments deleting a budget line item or adding a new budget line item shall require a formal amendment. The sum of adjusted line items in the budget must not exceed the total budget amount. The Division may propose budget adjustments.

B.6 REIMBURSEMENT PROCEDURE.

Except as may be otherwise provided in this Agreement, reimbursements will be made as follows:

1. Upon execution and delivery of this Agreement by both parties, the Recipient may request immediate reimbursement of any eligible incurred costs through submission to the State Water Board of the Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed. To be eligible for reimbursement, Project Costs, including planning and design allowance costs, must have been incurred in compliance with all applicable requirements, including the cross-cutting requirements listed in Exhibits C and D.
2. The Recipient must submit a Reimbursement Request for costs incurred prior to the date this Agreement is executed by the State Water Board no later than ninety (90) days after this Agreement is executed by the State Water Board. Late Reimbursement Requests may not be honored.
3. Additional Project Funds will be promptly disbursed to the Recipient upon receipt of Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed by the Recipient for incurred costs consistent with this Agreement, along with receipt of progress reports due under this Agreement.
4. The Recipient must not request reimbursement for any Project Cost until such cost has been incurred and is currently due and payable by the Recipient, although the actual payment of such cost by the Recipient is not required as a condition of Reimbursement Request. Supporting documentation (e.g., receipts) must be submitted with each Reimbursement Request. The amount requested for Recipient's administration costs must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = total amount claimed). Reimbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed Reimbursement Request. Upon request by the Division, supporting documents for professional and administrative services must include the employees' names, classifications, labor rates, hours worked, and descriptions of the tasks performed. Reimbursement Requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.
5. The Division may withhold disbursements where costs incurred do not reflect actual time spent.
6. The Recipient must spend Project Funds within 30 days of receipt. If the Recipient earns interest earned on Project Funds, it must report that interest immediately to the State Water Board. The State Water Board may deduct earned interest from future reimbursements.
7. The Recipient must not request a reimbursement unless that Project Cost is allowable, reasonable, and allocable.
8. The Recipient must submit all draft deliverables prior to reimbursement beyond 70 percent of the Project Funding Amount, and it must submit all final deliverables to the Division prior to reimbursement beyond 90 percent of the Project Funding Amount.
9. Notwithstanding any other provision of this Agreement, no reimbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, policies, or regulations.

Notwithstanding any other provision of this Agreement, the Recipient agrees that the State Water Board may retain an amount equal to ten percent (10%) of the Project Funding Amount until Project Completion. Any retained amounts due to the Recipient will be promptly disbursed to the Recipient, without interest, upon Project Completion.

B.7 REVERTING FUNDS AND DISENCUMBRANCE.

In the event the Recipient does not submit Reimbursement Requests for all funds encumbered under this Agreement timely, any remaining funds revert to the State. The State Water Board may notify the Recipient that the project file is closed, and any remaining balance will be disencumbered and unavailable for further use under the Agreement

EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV

GENERAL TERMS AND CONDITIONS 2019-NOV is posted at https://www.waterboards.ca.gov/water_issues/programs/grants_loans/general_terms.html and replicated below:

1. DEFINITIONS. Unless otherwise specified in this Agreement, each capitalized term used in this Agreement has the following meaning:

- "Agreement" means this agreement, including all exhibits and attachments hereto.
- "Cover Page" means the front page of this Agreement.
- "Days" means calendar days unless otherwise expressly indicated.
- "Deputy Director" means the Deputy Director of the Division.
- "Division" means the Division of Financial Assistance of the State Water Board or any other division or unit of the State Water Board authorized to administer this Agreement.
- "Event of Default" means the occurrence of any of the following events:

  a) A representation or warranty made by or on behalf of the Recipient in this Agreement or in any document furnished by or on behalf of the Recipient to the State Water Board pursuant to this Agreement shall prove to have been inaccurate, misleading or incomplete in any material respect;
  b) Failure by the Recipient to observe and perform any covenant, condition, or provision in this Agreement, which failure shall continue for a period of time, to be determined by the Division;
  c) Initiation of proceedings seeking arrangement, reorganization, or any other relief under any applicable bankruptcy, insolvency, or other similar law; the appointment of or taking possession of the Recipient's property by a receiver, liquidator, assignee, trustee, custodian, conservator, or similar official; the Recipient's entering into a general assignment for the benefit of creditors; the initiation of resolutions or proceedings to terminate the Recipient's existence, or any action in furtherance of any of the foregoing;
  d) A determination pursuant to Gov. Code section 11137 that the Recipient has violated any provision in Article 9.5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code; or
  e) Loss of the Recipient's rights, licenses, permits, or privileges necessary for the Project, or the occurrence of any material restraint on the Recipient's enterprise by a government agency or court order.

- "Final Reimbursement Request Date" means the date set forth as such on the Cover Page of this Agreement, after which date, no further reimbursements or disbursements may be requested.
- "Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year.
- "GAAP" means generally accepted accounting principles, the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public

Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor, or the Uniform System of Accounts, as adopted by the California Public Utilities Commission for water utilities.

- "Material Obligation" means an obligation of the Recipient that is material to this transaction.
- "Party Contact" means, for the Recipient, the Authorized Representative of the Recipient or any designee of the Authorized Representative, and, for the State Water Board, the Division staff set forth in Section 2 of this Agreement.
- "Project" means the Project funded by this Agreement as described in Exhibits A and B and in the documents incorporated by reference herein.
- "Project Completion" means, as determined by the Division, that the Project is complete to the reasonable satisfaction of the Division.
- "Project Costs" means the incurred costs of the Recipient which are eligible for funding under this Agreement, pursuant to applicable statutes, policy, regulations, or guidelines.
- "Project Funding Amount" means the maximum amount payable under this Agreement, as set forth on the Cover Page.
- "Project Funds" means all moneys disbursed to the Recipient by the State Water Board for eligible Project Costs pursuant to this Agreement.
- "Project Manager" means the person designated by the State Water Board to manage performance of this Agreement. The Project Manager is set forth on the Cover Page.
- "Records Retention End Date" means the last date that the Recipient is obligated to maintain records related to this Agreement and is set forth on the Cover Page of this Agreement.
- "Regional Water Quality Control Board" or "Regional Water Board" means the appropriate Regional Water Quality Control Board.
- "Reimbursement Period" means the period during which Project Funds may be disbursed.
- "Reimbursement Request" means the Recipient's request for Project Funds from the State Water Board as set forth in Exhibit B.
- "State" means State of California.
- "State Water Board" means the State Water Resources Control Board.
- "Work Completion" means the Recipient's submittal of all work set forth under Exhibit A for review and approval by the Division.
- "Work Completion Date" means the date set forth on the Cover Page of this Agreement and is the last date on which Project Costs may be incurred under this Agreement.
- "Year" means calendar year unless otherwise expressly indicated.

2. ACCESS, INSPECTION, AND PUBLIC RECORDS. The Recipient must ensure that the State Water Board, the State Auditor, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times through the Records Retention End Date or useful life of the Project, whichever is longer. The Recipient acknowledges that, except for a subset of information regarding archaeological records and personally identifiable information, the Project records and locations may be public records, including but not limited to all of the submissions accompanying the application, all of the documents incorporated into this Agreement by reference, and all reports, Reimbursement Requests, and supporting documentation submitted hereunder.

3. ACCOUNTING AND AUDITING STANDARDS; FINANCIAL MANAGEMENT SYSTEMS. The Recipient must maintain GAAP-compliant project accounts, including GAAP requirements relating to the reporting of infrastructure assets. Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient must:

   (a) Establish an official file for the Project which adequately documents all significant actions relative to the Project;

   (b) Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all Project Funds received under this Agreement;

   (c) Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to Project Funds disbursed under this Agreement;

   (d) Establish an accounting system which will accurately depict final total costs of the Project if authorized under this Agreement;

   (e) Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and

   (f) If the Recipient uses its own employees, equipment, or resources for any phase of the Project, accounts will be established which reasonably document all employee hours charged to the Project and the associated tasks performed by each employee.

4. AMENDMENT. No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by both the Recipient and the Deputy Director or designee and approved as required.

5. ASSIGNABILITY. This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board. Amendment of the Agreement may be required.

6. AUDIT. The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of State or federal requirements. If an audit is called for, the audit must be performed by a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit must be in the form required by the Division. The Recipient must return, or ensure the return of, any audit disallowances within 30 days.

7. BONDING. Where construction contractors are used, the Recipient must not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and

materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00.

8. COMPETITIVE BIDDING. Recipient must adhere to any applicable State law or local ordinance for competitive bidding and applicable labor laws. If Recipient is a private entity, any construction contracts related in any way to the Project must be let by competitive bid procedures which assure award of such contracts to the lowest responsive and responsible bidders. Recipient must not award a construction contract until a summary of bids and identification of the selected lowest responsible bidder is submitted to and approved in writing by the Division. Recipient must provide a full explanation if Recipient is proposing to award a construction contract to anyone other than the lowest responsible bidder.

9. COMPLIANCE WITH APPLICABLE LAWS, RULES, AND REQUIREMENTS. The Recipient must, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and State laws, rules, guidelines, regulations, and requirements and with provisions of the adopted environmental mitigation plan, if any, for the useful life of the Project.

10. COMPUTER SOFTWARE. The Recipient certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

11. CONFLICT OF INTEREST. The Recipient certifies that it, its owners, officers, directors, agents, representatives, and employees are in compliance with applicable State and federal conflict of interest laws and will remain in compliance for the useful life of the Project. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances. Public entities are required to have adopted conflict of interest codes and may be required to provide documentation of those codes to the Division.

12. DATA MANAGEMENT. The Recipient will undertake appropriate data management activities so that Project data can be incorporated into statewide data systems.

13. DEBARRED, DISQUALIFIED, OR EXCLUDED CONTRACTORS. The Recipient must not contract or allow subcontracting with excluded parties. The Recipient must not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient must not contract with any individual or organization on the State Water Board's List of Disqualified Businesses and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml

14. DRUG-FREE WORKPLACE. The Recipient certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act (Gov. Code. §§ 8350-8357). The Recipient shall publish a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the Recipient's workplace and specifying the actions to be taken against employees for violations of the prohibition. The Recipient shall establish a drug-free awareness program to inform employees about the dangers of drug abuse in the workplace, the Recipient's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation and employee assistance programs, and penalties that may be imposed upon employees for drug abuse violations. The Recipient shall provide that

every employee who works on the Project receives a copy of the Recipient's drug-free workplace policy statement and agrees to abide by the terms of the statement as a condition of employment on the Project.

15. ENVIRONMENTAL CLEARANCE. No work that is subject to California Environmental Quality Act (CEQA) or the National Environmental Policy Act (NEPA) may proceed under this Agreement until the State Water Board has provided approval to proceed. Upon receipt and review of the Recipient's environmental documents, the State Water Board shall make the appropriate environmental findings before determining whether to approve construction or implementation funding for the Project under this Agreement. Providing approval for such construction or implementation funding is fully discretionary. The State Water Board may require changes in the scope of work or additional mitigation as a condition to providing construction or implementation funding under this Agreement. Recipient shall not perform any work subject to CEQA and/or NEPA before the State Water Board completes its environmental review and specifies any changes in scope or additional mitigation that may be required. Proceeding with work subject to CEQA and/or NEPA without approval by the State Water Board shall constitute a breach of a material provision of this Agreement. If this Project includes modification of a river or stream channel, the Recipient must fully mitigate environmental impacts resulting from the modification. The Recipient must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.

16. FINAL REIMBURSEMENT REQUEST. The Recipient agrees to ensure that its final Reimbursement Request is received by the Division no later than the Final Reimbursement Request Date, unless prior approval has been granted by the Division. If the final Reimbursement Request is not received timely, the undisbursed balance of this Agreement may be deobligated.

17. FRAUD AND MISUSE OF PUBLIC FUNDS. All requests for disbursement must be accurate and signed by the Recipient or its Authorized Representative under penalty of perjury. All costs submitted pursuant to this Agreement must only be for the work or tasks set forth in this Agreement. The Recipient must not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs). Any costs for which the Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other cost is improper and will not be compensated. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements and, notwithstanding any other section in this Agreement, the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. Additionally, the Deputy Director of the Division may request an audit and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability.

18. FUNDING CONTINGENCY. The State Water Board's disbursement of funds hereunder is contingent on the Recipient's compliance with the terms and conditions of this Agreement. The State Water Board's obligation to disburse funds is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason, including but not limited to failure of the federal or State government to appropriate funds necessary for disbursement of funds, the State Water Board shall not be obligated to make any disbursements to the Recipient under this Agreement. If this Agreement's funding for any fiscal year expires due to reversion or is reduced, substantially delayed, or deleted by the Budget Act, by Executive Order, or by order or action of the Department of Finance, the State Water Board

has the option to either cancel this Agreement with no liability accruing to the State Water Board, or offer an amendment to the Recipient to reflect the reduced amount. This provision shall be construed as a condition precedent to the obligation of the State Water Board to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Recipient with a right of priority for disbursement over any other entity. If any disbursements due the Recipient under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the State Water Board that such disbursement will be made to the Recipient when sufficient funds do become available, but this intention is not binding.

19. GOVERNING LAW. This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

20. RECIPIENT'S SHARE. The Recipient agrees that it will provide for the payment of its full share, if any share is required, of Project Costs and that all costs connected with the Project will be timely paid by the Recipient.

21. INDEMNIFICATION AND STATE REVIEWS. The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the Project; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement, except those arising from the gross negligence or willful misconduct of the Indemnified Persons. The Recipient must also provide for the defense and indemnification of the Indemnified Persons in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and must cause the Indemnified Persons to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section survive the term of this Agreement.

22. INDEPENDENT ACTOR. The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

23. INSPECTION. Throughout the useful life of the Project, the State Water Board shall have the right to inspect the Project area to ascertain compliance with this Agreement.

24. INTEGRATION. This Agreement constitutes the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

25. LIENS. The Recipient must not make any pledge of or place any lien on the Project or Project assets except upon consent of the Division.

26. NO DISCRIMINATION. The Recipient must comply with Government Code section 11135 and the implementing regulations (Cal. Code Regs, tit. 2, § 11140 et seq.), including, but not limited to, ensuring that no person is unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination in the operation of, the Project on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation as such terms are defined under California law, for as long as the Recipient retains ownership or possession of the Project. If Project Funds are used to acquire or improve real property, the Recipient must include a covenant of nondiscrimination running with the land in the instrument effecting or recording the transfer of such real property. The Recipient must comply with the federal American with Disabilities Act of 1990 and implementing regulations as required by Government Code section 11135(b). The Recipient's obligations under this section shall survive the term of this Agreement. During the performance of this Agreement, Recipient and its contractors and subcontractors must not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status. The Recipient, its contractors, and subcontractors must ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Recipient, its contractors, and subcontractors must comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subds. (a)-(f) et seq.;Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Recipient, its contractors, and subcontractors must give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

27. NO THIRD-PARTY RIGHTS. This Agreement creates no rights in and grants no remedies to any third party as a beneficiary of this Agreement.

28. NO OBLIGATION OF THE STATE. Any obligation of the State Water Board herein contained shall not be an obligation, debt, or liability of the State and any such obligation shall be payable solely out of the moneys encumbered pursuant to this Agreement.

29. NON-WAIVER. Nothing in this Agreement shall affect or impair the Recipient's obligation to undertake work under this Agreement or shall affect or impair the right of the State Water Board to bring suit to enforce such work. No delay or omission of the State Water Board in the exercise of any right arising upon an Event of Default shall impair any such right or be construed to be a

waiver of any such Event of Default. The State Water Board may exercise from time to time and as often as shall be deemed expedient by the State Water Board, any remedy or right provided by law or pursuant to this Agreement. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

30. OTHER FUNDING SOURCES; INCOME RESTRICTIONS. If funding for Project Costs is made available to the Recipient from sources other than this Agreement, the Recipient must notify the Division. The Recipient may retain such funding up to an amount which equals the Recipient's contribution to Project costs. To the extent allowed by requirements of other funding sources, excess funding must be remitted to the State Water Board. The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient as related to this Agreement must be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

31. PERMITS AND AUTHORIZATIONS. Recipient must procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses must be submitted to the Division before any construction or implementation begins.

    Any contractors, outside associates, or consultants required by the Recipient in connection with the services covered by this Agreement shall be limited to such individuals or firms as were specifically identified and agreed to during negotiations for this Agreement, or as are specifically authorized by the State Water Board's Project Manager during the performance of this Agreement. Any substitutions in, or additions to, such contractors, associates, or consultants, shall be subject to the prior written approval of the State Water Board's Project Manager.

32. PREVAILING WAGES. If applicable, the Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. If applicable, the Recipient must monitor all agreements subject to reimbursement from this Agreement to ensure that the applicable prevailing wage provisions of the State Labor Code are being met. Division of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/lcp.asp. For more information, please refer to DIR's Public Works Manual at: http://www.dir.ca.gov/dlse/PWManualCombined.pdf.

33. PRIOR COSTS. No costs incurred prior to the Eligible Work Start Date are eligible for reimbursement.

34. PROFESSIONALS. The Recipient agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for. All technical reports required pursuant to this Agreement that involve planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, architectural, or geologic sciences, shall be prepared by or under the direction of persons registered to practice in California pursuant to Business and Professions Code, sections 5536.1, 6735, 7835, and 7835.1. As required by these laws, completed technical reports must bear the signature(s) and seal(s) of the registered professional(s) in a manner such that all work can be clearly attributed to the professional responsible for the work.

35. RECORDS, INSPECTION, AUDITS, AND INTERVIEWS; RECORDS RETENTION. The Recipient must maintain separate books, records and other material relative to the Project and retain such books, records, subcontracts, and other material until at least the Records Retention End Date set forth on the Cover Page of this Agreement. The Recipient must require that such

books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the Department of Finance, the California State Auditor, the Bureau of State Audits, or any authorized representatives of the aforementioned, including federal funding agencies and their auditors, if any. The Recipient must allow and must require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section survive the term of this Agreement.

36. RELATED LITIGATION. Under no circumstances may the Recipient use funds from any reimbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to complete the Project funded by this Agreement or to repay all of the disbursed funds plus interest.

37. REMEDIES. The State Water Board may enforce its rights under this Agreement by any judicial proceeding, whether at law or in equity. None of the remedies available to the State Water Board shall be exclusive of any other remedy, and each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. The State Water Board may exercise any remedy, now or hereafter existing, without exhausting and without regard to any other remedy. Any dispute of the Recipient is limited to the rights and remedies provided to the Recipient under this Agreement and is subject to the procedures provided to the Recipient under this Agreement.

38. REPORTS - AS NEEDED. The Recipient must provide expeditiously any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the State or federal government.

39. RESPONSIBILITY FOR WORK. The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project, including, but not limited to, payment disputes with contractors and subcontractors. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

40. RIGHTS IN DATA. The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request. The Recipient may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgement of credit to the State Water Board for financial support. The Recipient shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.

41. STATE WATER BOARD ACTION; COSTS AND ATTORNEY FEES. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

42. STATUS QUO. If any action to enforce any right or exercise any remedy shall be brought and either discontinued or determined adversely to the State Water Board, then the State Water Board shall be restored to its former position, rights, and remedies as if no such action had been brought.

43. TERMINATION, IMMEDIATE REPAYMENT, AND INTEREST: This Agreement may be terminated by written notice at any time, at the option of the State Water Board, if:

    a. the Recipient has received funds as a result of a material misrepresentation in the funding application or other submitted document; or
    b. upon violation by the Recipient of any material provision of this Agreement after such violation has been called to the attention of the Recipient and after failure of the Recipient to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by the State Water Board.

    In the event of such termination, the Recipient agrees, upon demand, to immediately repay to the State Water Board an amount equal to the amount of Project Funds disbursed to the Recipient prior to such termination. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the Recipient to the date of full repayment by the Recipient.

44. TIMING. Time is of the essence. The Recipient must expeditiously proceed with and complete the Project. Failure to proceed according to the timelines set forth in this Agreement may require the Recipient to repay to the State Water Board all disbursed Project Funds.

45. TRAVEL AND PER DIEM. No work or travel outside the State of California is permitted under this Agreement unless the Division provides prior written authorization. No work or travel outside the United States of America is authorized. Failure to comply with this restriction may constitute an Event of Default and result in termination of this Agreement. Any reimbursement for necessary travel and per diem shall be set pursuant to and at rates not to exceed those set by the California Department of Human Resources at http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. as of the date costs are incurred by the Recipient.

46. UNDISBURSED FUNDS. The Recipient is not entitled to interest earned on undisbursed funds.

47. UNENFORCEABLE PROVISION; SEVERABILITY. In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

48. UNION ACTIVITIES: The Recipient hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Agreement. The Recipient certifies that none of the Project Funds will be used to assist, promote, or deter union organizing. If the Recipient incurs costs or makes expenditures to assist, promote, or deter union organizing, the Recipient will maintain records sufficient to show that no reimbursement from Project Funds has been sought for these costs and the Recipient shall provide those records to the Attorney General upon request.

49. VENUE. Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

50. WAIVER AND RIGHTS OF THE STATE WATER BOARD. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

51. WATER CONSERVATION AND EFFICIENCY PROGRAMS: The Recipient acknowledges that it has appropriate water conservation and efficiency programs in place, and that this provision constitutes a condition of this Agreement. A web link with examples of water conservation and efficiency programs is available at: http://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/conservation.shtml.

52. WATER DIVERSION AND USE: To the extent applicable, the Recipient has complied with, and shall continue to comply with, the requirements of Water Code, division 2, part 5.1, section 5100 et seq. for filing statements of water diversion and use.

53. WITHHOLDING OF DISBURSEMENTS AND REIMBURSEMENTS. Notwithstanding any other provision of this Agreement, the State Water Board may withhold all or any portion of the Project Funds upon the occurrence of any of the following events:

    a) Failure of the Recipient to maintain reasonable progress on the Project as determined by the Division;

    b) Commencement of litigation or a judicial or administrative proceeding related to the Project, or Recipient that the State Water Board determines may impair the timely satisfaction of Recipient's obligations under this Agreement;

    c) Any investigation by State, local, or federal investigators or auditors, or a grand jury, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;

    d) A material adverse change in the condition of the Recipient, or the Project, that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement, or any other event that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement;

    e) The Recipient's material violation of, or threat to materially violate, any provision of this Agreement;

    f) Suspicion of fraud, forgery, embezzlement, theft, or any other misuse of public funds by the Recipient or its employees, or by its contractors or agents directly or indirectly regarding the Project;

    g) An event requiring notice under this Agreement; or

    h) An Event of Default or an event that the Division determines may become an Event of Default.

EXHIBIT D – SPECIAL CONDITIONS

D.1 DEFINITIONS.

Each capitalized term used in this Agreement has the following meaning:

- “Authorized Representative” means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient’s authorizing resolution that designates the authorized representative by title.
- “Eligible Work Start Date” means the date set forth on the Cover Page of this Agreement, establishing the date on or after which any costs may be incurred and eligible for reimbursement hereunder.
- “Enterprise Fund” means the enterprise fund of the Recipient in which Revenues are deposited.
- “Event of Default” means, in addition to the meanings set forth in Exhibit C, the occurrence of any of the following events:
    a) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient’s ability to satisfy its obligations under this Agreement.
    b) The occurrence of a material breach or event of default under any Recipient obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption, or that the Division determines would materially impair the Recipient’s ability to satisfy its obligations under this Agreement.
- “Indirect Costs” means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the Project (i.e., costs that are not directly related to the Project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Recipient; non-project-specific accounting and personnel services performed within the Recipient organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; generic overhead or markup; and taxes.
- “Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.
- "Operations and Maintenance Costs" means the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.
- "Policy" means the State Water Board's “Policy for Implementing the Clean Water State Revolving Fund,” as amended from time to time, including the Intended Use Plan in effect as of the execution date of this Agreement.
- "Revenues" means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with GAAP, including all rates, fees, and charges (including connection fees and charges) as received by the Recipient for the services of the System, and all other income and revenue howsoever

derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient's behalf, and any refundable deposits made to establish credit, and advances or contributions in aid of construction.

- "System" means all wastewater collection, pumping, transport, treatment, storage, and disposal facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

D.2 ADDITIONAL REPRESENTATIONS AND WARRANTIES.

The Recipient represents, warrants, and covenants each of the following:

a) The Recipient has not made any untrue statement of a material fact in its application for this financial assistance or omitted to state in its application a material fact that makes the statements in its application not misleading.

b) The Recipient agrees to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for funding under this Agreement.

c) The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date of execution of this Agreement by the Recipient, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date of execution of this Agreement by the Recipient.

d) There are, as of the date of execution of this Agreement by the Recipient, no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency that materially affect the financial condition or operations of the Recipient, the Revenues, and/or the Project.

e) There are no proceedings, actions, or offers by a public entity to acquire by purchase or the power of eminent domain any of the real or personal property related to or necessary for the Project.

f) The Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient must at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. Within the preceding ten years, the Recipient has not failed to demonstrate compliance with state or federal audit disallowances.

g) Any financial statements or other financial documentation of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements or other financial documentation: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements or other financial documentation, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements or other financial documentation been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

h) The Recipient is current in its continuing disclosure obligations associated with its material debt, if any.

i) The Recipient has no conflicting or Material Obligations.

j) The Recipient has sufficient real or personal property rights necessary for the purposes of this Agreement, not subject to third party revocation, which rights extend at least to the Records Retention End Date of this Agreement, except as disclosed to the State Water Board. The Recipient has disclosed to the State Water Board all proceedings, actions, or offers of which the Recipient has knowledge or belief that may in any way affect the Recipient's ability to access or legally possess all of the property necessary for the purpose of this Agreement, including any proceedings, actions, or offers to lease, purchase, or acquire by eminent domain any of the real or personal property related to or necessary for the Project.

k) The Recipient and its principals, contractors, and subcontractors, to the best of the Recipient's knowledge and belief, are not presently debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized; nor have they engaged or permitted the performance of services covered by this Agreement from parties that are debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized.

D.3 ACKNOWLEDGEMENTS.

The Recipient must include the following acknowledgement in any document, written report, or brochure to be shared with the general public prepared in whole or in part pursuant to this Agreement:

- "Funding for this project has been provided in full or in part under the Clean Water State Revolving Fund, which may include capitalization funding from the United States Environmental Protection Agency through an agreement with the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use."

D.4 RATES, FEES, AND CHARGES.

The Recipient must, to the extent permitted by law, fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair, and nondiscriminatory and which will be sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs, and must ensure that Net Revenues are in an amount necessary to meet its obligations under this Agreement. The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees, and charges will at all times be sufficient to meet the requirements of this section.

D.5 ENVIRONMENTAL AND TECHNICAL SPECIAL CONDITIONS.

The Recipient agrees to the following environmental conditions:

- The Recipient shall submit all final California Environmental Quality Act (CEQA) documents and notices for the construction project to the Governor's Office of Planning and Research, State

Clearinghouse or coordinate with the CEQA lead agency to do so. A copy of all such CEQA documents and notices shall be submitted to the Division via the Financial Assistance Application Submittal Tool (FAAST).

- The Recipient shall submit to the Division a Biological Assessment Report or an updated previously prepared Biological Assessment Report for the construction project that meets the requirements of Section 7 of the Endangered Species Act (ESA) for the purposes of initiating consultation with the United States Fish and Wildlife Service and/or the National Marine Fisheries Service. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 7, ESA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- The Recipient shall submit to the Division a Historic Properties Identification Report (HPIR) for the construction project or an updated previously prepared HPIR, authored by a qualified archaeologist that meets the requirements of Section 106 of the National Historic Preservation Act (NHPA) for the purposes of initiating consultation with the Office of Historic Preservation. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 106, NHPA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- During the term of this planning Agreement, the Recipient shall request approval of any change(s) to the Scope of Work of the construction project before making those changes. Thereafter, the Division shall notify the Recipient whether additional environmental review is necessary as a result of the change(s).

- The Recipient shall not initiate any ground disturbing/construction activities unless and until the environmental review process is complete and all applicable notices are filed by the Recipient in its capacity as the CEQA Lead Agency.

The Recipient agrees to the following technical condition:

- The Recipient shall not begin work on engineering design (beyond the 10% level), environmental documents, governance structure and agency agreements, easement identification, or permits and related studies until written authorization is given by the Division's Project Manager for each specific task. A selected construction project receiving such written authorization is referred to herein as the "Selected Construction Project". Authorization can be withheld at the discretion of the Division.

D.6 RETURN OF FUNDS.

Notwithstanding any other provision of this Agreement, if the Division determines that an Event of Default has occurred, the Recipient may be required, upon demand, to immediately return to the State Water Board any grant or principal forgiveness amounts received pursuant to this Agreement and pay interest at the highest legal rate on all of the foregoing.

D.7 INSURANCE.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient must begin such reconstruction, repair or replacement as expeditiously as possible, and must pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same must be completed and the System must be free and clear of all claims and liens.

D.8 NOTICE.

Upon the occurrence of any of the following events, the Recipient must notify the Division's Deputy Director and Party Contacts promptly by phone and email:

i. Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;

ii. Change of ownership of the Project (no change of ownership may occur without written consent of the Division);

iii. Loss, theft, damage, or impairment to Project;

iv. Events of Default, except as otherwise set forth in this section;

v. A proceeding or action by a public entity to acquire the Project by power of eminent domain.

vi. Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity or the Recipient's continued existence, or any judgment or court order relating to such litigation that has a material effect on the Project or the System;

vii. Consideration of dissolution, or disincorporation;

viii. Enforcement actions by or brought on behalf of the State Water Board or Regional Water Board.

ix. The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this funding, or in any certification, report, or request for reimbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;

x. Any substantial change in scope of the Project. The Recipient must undertake no substantial change in the scope of the Project until prompt written notice of the

proposed change has been provided to the Division and the Division has given written approval for the change;

xi. Any circumstance, combination of circumstances, or condition, which is expected to or does delay Work Completion for a period of ninety (90) days or more;

xii. The Recipient must promptly notify the Division and Party Contacts of the discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during implementation of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;

xiii. Any Project monitoring, demonstration, or other implementation activities required in this Agreement;

xiv. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state representatives with at least ten (10) working days' notice to the Division;

xv. Any event requiring notice to the Division pursuant to any other provision of this Agreement;

xvi. Work Completion, and Project Completion.

D.9 FRAUD, WASTE, AND ABUSE.

The Recipient shall prevent fraud, waste, and the abuse of Project Funds, and shall cooperate in any investigation of such activities that are suspected in connection with this Agreement. The Recipient understands that discovery of any evidence of misrepresentation or fraud related to Reimbursement Requests, invoices, proof of payment of invoices, or other supporting information, including but not limited to double or multiple billing for time, services, or any other eligible cost, may result in an administrative action by the State Water Board and/or referral to the Attorney General's Office or the applicable District Attorney's Office for appropriate action. The Recipient further understands that any suspected occurrences of false claims, misrepresentation, fraud, forgery, theft or any other misuse of Project Funds may result in withholding of reimbursements and/or the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. A person who knowingly makes or causes to be made any false statement, material misrepresentation, or false certification in any submittal may be subject to a civil penalty, criminal fine, or imprisonment. (Wat. Code, § 13490 et seq.)

D.10 DISPUTES.

The Recipient must continue with the responsibilities under this Agreement during any dispute. The Recipient may, in writing, appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute. This provision does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final

the decision of the State Water Board, or any official or representative thereof, on any question of law. This section relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

D.11 EXECUTIVE ORDER N-6-22 — RUSSIAN SANCTIONS.

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State Water Board determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State Water Board shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State Water Board.

The Recipient represents that the Recipient is not a target of economic sanctions imposed in response to Russia's actions in Ukraine imposed by the United States government or the State of California. The Recipient is required to comply with the economic sanctions imposed in response to Russia's actions in Ukraine, including with respect to, but not limited to, the federal executive orders identified in California Executive Order N-6-22, located at https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf and the sanctions identified on the United States Department of the Treasury website (https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions). The Recipient is required to comply with all applicable reporting requirements regarding compliance with the economic sanctions, including, but not limited to, those reporting requirements set forth in California Executive Order N-6-22 for all Recipients with one or more agreements with the State of California with an aggregated value of Five Million Dollars ($5,000,000) or more. Notwithstanding any other provision in this Agreement, failure to comply with the economic sanctions and all applicable reporting requirements may result in termination of this Agreement.

For Recipients with an aggregated agreement value of Five Million Dollars ($5,000,000) or more with the State of California, reporting requirements include, but are not limited to, information related to steps taken in response to Russia's actions in Ukraine, including but not limited to:

1. Desisting from making any new investments or engaging in financial transactions with Russian institutions or companies that are headquartered or have their principal place of business in Russia;

2. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and

3. Direct support to the government and people of Ukraine.

D.12 STATE CROSS-CUTTERS.

Recipient represents that, as applicable, it complies and covenants to maintain compliance with the following with respect to all Project Costs for the term of this Agreement:

- The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.

- Water Conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.

- Monthly Water Diversion Reporting requirements, including requirements set forth in Water Code section 5103.

- Public Works Contractor Registration with Department of Industrial Relations requirements, including requirements set forth in Sections 1725.5 and 1771.1 of the Labor Code.

- Volumetric Pricing & Water Meters requirements, including the requirements of Water Code sections 526 and 527.

- Urban Water Management Plan requirements, including the Urban Water Management Planning Act (Water Code, § 10610 et seq.).

- Urban Water Demand Management requirements, including the requirements of Section 10608.56 of the Water Code.

- Delta Plan Consistency Findings requirements, including the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.

- Agricultural Water Management Plan Consistency requirements, including the requirements of Water Code section 10852.

- Charter City Project Labor Requirements, including the requirements of Labor Code section 1782 and Public Contract Code section 2503.

- The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with directives or orders issued pursuant to Division 7 of the Water Code.

- Regulations in Division 4 of Title 22 of the California Code of Regulations, including but not limited to California Waterworks Standards in Chapter 16, and Lead and Copper regulations in Chapter 17.5.

D.13 DAMAGES FOR BREACH OF FEDERAL CONDITIONS

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

D.14 ACCESS AND INSPECTION.

In addition to the obligations set forth in section 2 of the General Terms and Conditions incorporated in Exhibit C of this Agreement, the Recipient must ensure that the United States Environmental Protection Agency, the Office of Inspector General, any member of Congress, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during the term of the Agreement.

D.15 FINANCIAL MANAGEMENT SYSTEMS.

The Recipient must comply with federal standards for financial management systems. The Recipient agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit preparation of reports required by the federal government and tracking of Project funds to a level of expenditure adequate to establish that such funds have not been used in violation of federal or state law or the terms of this Agreement. To the extent applicable, the Recipient is bound by, and must comply with, the provisions and requirements of the federal Single Audit Act (SAA) of 1984, 2 CFR part 200, subpart F, and 2 CFR section 200.302, and updates or revisions, thereto, including but not limited to:

- Maintain an annual (Fiscal Year) accounting system and identify all expenditures of federal financial assistance;
- Conduct a SAA audit using an independent auditor in those Fiscal Years when expenditures of total federal financial assistance equal or exceed $750,000, and submit the SAA audit to the Federal Audit Clearinghouse within the earlier of thirty (30) calendar days after receipt of the auditor's report(s) or nine (9) months of the end of the audit period;
- Notify the Division when a SAA audit has been conducted and submitted to the Federal Audit Clearinghouse;
- Notify and provide the Division with a copy of the SAA audit within thirty (30) days of completion of the audit;
- Inform the Division of findings and recommendations pertaining to federal financial assistance provided through the State Water Board contained in SAA audits conducted by the Recipient;
- Initiate corrective actions for audit reports with findings and recommendations that impact federal financial assistance provided through the State Water Board and notify the Division when corrective actions are complete.

D.16 FEDERAL CROSS-CUTTERS.

The Recipient acknowledges, warrants compliance with, and covenants to continuing compliance with the following federal terms and conditions with respect to all Project Costs for the term of this Agreement:

i. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase "iron and steel products" produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all "iron and steel products" used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. "Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

ii. The Recipient does not anticipate any construction is necessary to complete the Project, and no construction activities may occur without the Division's approval. If the Project does include construction, the Recipient agrees to comply with the Davis-Bacon provisions, and must include in full the Wage Rate Requirements (Davis-Bacon) language provided by the Division in all construction contracts and subcontracts.

iii. The Recipient shall notify the State Water Board and the USEPA contact of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

iv. The Recipient shall comply with applicable USEPA general terms and conditions found at https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2022-or-later.

v. No Recipient may receive funding under this Agreement unless it has provided its Unique Entity Identifier, assigned by the System for Award management, to the State Water Board.

vi. The Recipient represents and warrants that it and its principals are not excluded or disqualified from participating in this transaction as such terms are defined in Parts 180 and 1532 of Title 2 of the Code of Federal Regulations (2 CFR). If the Recipient is excluded after execution of this Agreement, the Recipient shall notify the Division within ten (10) days and shall inform the Division of the Recipient's exclusion in any request for amendment of this Agreement. The Recipient shall comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR. Such compliance is a condition precedent to the State Water Board's performance of its obligations under this Agreement. When entering into a covered transaction as defined in Parts 180 and 1532 of 2 CFR, the Recipient shall require the other party to the covered transaction to comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR.

vii. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA's Final Financial Assistance Conflict of Interest Policy at https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy. A conflict of interest may result in disallowance of costs.

viii. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement.

ix. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural invention reporting system at http://iEdison.gov and shall notify the Division when an invention report, patent report, or utilization report is filed.

x. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the Acknowledgment statement set forth in Exhibit D.

xi. The Recipient acknowledges that it is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.

xii. The Recipient, its employees, contractors and subcontractors and their employees warrants that it will not engage in severe forms of trafficking in persons, procure a commercial sex act during the term of this Agreement, or use forced labor in the performance of this Agreement. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of

its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing.

xiii. The Recipient certifies to the best of its knowledge and belief that:

a. No federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Agreement, the Recipient shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions, and notify the State Water Board.

The Recipient shall require this certification from all parties to any contract or agreement that the Recipient enters into and under which the Recipient incurs costs for which it seeks reimbursement under this Agreement.

xiv. The Recipient must comply with the following federal non-discrimination requirements:

a. Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
b. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
c. The Age Discrimination Act of 1975, which prohibits age discrimination.
d. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
e. 40 CFR Part 7, as it relates to the foregoing.
f. Executive Order 13798, including, to the greatest extent practicable and to the extent permitted by law, the requirement to respect and protect the freedom of persons and organizations to engage in political and religious speech.
g. All applicable federal civil rights regulations, including statutory and national policy requirements (2 CFR section 200.300).

xv. If the Project relates to construction of a publicly owned treatment works, where the Recipient contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services, the Recipient shall ensure that any such contract is negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement as determined by the State Water Board.

xvi. Executive Order No. 11246. The Recipient shall include in its contracts and subcontracts related to the Project the following provisions:

"During the performance of this contract, the contractor agrees as follows:"(a) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following:

employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(d) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

"(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

"(g) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

xvii. The Recipient agrees to comply with the requirements of USEPA's Program for Utilization of Small, Minority and Women's Business Enterprises.

xviii. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368. Except where the purpose of this Agreement is to remedy the cause of the

violation, the Recipient may not procure goods, services, or materials from suppliers excluded under the federal System for Award Management: sam.gov

xix. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655. The Recipient must comply with the Act's implementing regulations at 49 CFR 24.101 through 24.105.

xx. The Recipient agrees that if its network or information system is connected to USEPA networks to transfer data using systems other than the Environmental Information Exchange Network or USEPA's Central Data Exchange, it will ensure that any connections are secure.

xxi. All geospatial data created pursuant to this Agreement that is submitted to the State Water Board for use by USEPA or that is submitted directly to USEPA must be consistent with Federal Geographic Data Committee endorsed standards. Information on these standards may be found at www.fgdc.gov.

xxii. If the Recipient is a water system that serves 500 or fewer persons, the Recipient represents that it has considered publicly-owned wells as an alternative drinking water supply.

xxiii. The Recipient represents that it is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.

xxiv. The Recipient agrees to immediately notify the Project Manager in writing about any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, including fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results, or ordering, advising, or suggesting that subordinates engage in research misconduct.

xxv. The Recipient agrees to comply with, and require all contractors and subcontractors to comply with, USEPA's Scientific Integrity Policy, available at https://www.epa.gov/osa/policy-epa-scientific-integrity, when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this condition scientific activities include, but are not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue.

The Recipient shall not suppress, alter, or otherwise impede the timely release of scientific findings or conclusions; intimidate or coerce scientists to alter scientific data, findings, or professional opinions or exert non-scientific influence on scientific advisory boards; knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty; or otherwise violate the USEPA's Scientific Integrity Policy. The Recipient must refrain from acts of research misconduct, including publication or reporting, as described in USEPA's Policy and Procedures for Addressing Research Misconduct, Section 9.C, and must ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by contractors and subcontractors.

xxvi. The Recipient agrees to comply with the Animal Welfare Act of 1966 (7 USC 2131-2156). Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training," available at http://grants.nih.gov/grants/olaw/references/phspol.htm#USGovPrinciples.

xxvii. The Recipient certifies that no Project Funds will be used on:

a. Video surveillance or telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
b. Telecommunications or video surveillance services produced by such entities;
c. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country; or
d. Other telecommunications or video surveillance services or equipment in violation of 2 CFR 200.216.

In compliance with this RFQ #__**10951**_____**,** which uses Federal Highway Administration (FHWA) funds, the CONTRACTOR (also referred to as "Consultant") will be required to comply with Federal Provisions. Federal Provisions, Exhibit A, attached hereto, shall be completed by CONTRACTOR (Consultant) and submitted to COUNTY (also referred to as "Local Agency") for approval prior to COUNTY (Local Agency) issuing a Notice to Proceed for the Project to CONTRACTOR (Consultant).

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Article I - Introduction

A. This AGREEMENT is between the following named, hereinafter referred to as, CONTRACTOR and the following named, hereinafter referred to as, COUNTY:

The name of the "CONTRACTOR" is as follows:

_____
_____
_____

Incorporated in the State of California

The Project Manager for the "CONTRACTOR" will be:

_____

The name of the COUNTY is as follows:

County of Monterey
Department of Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas, CA 93901-4527

The Project Manager for COUNTY will be:

_____
_____
_____

B. The work to be performed under this AGREEMENT is described in Article III Statement of Work and the approved CONTRACTOR's Cost Proposal dated (month, date, year). The approved CONTRACTOR's Cost Proposal is attached hereto (**Exhibit A- Payment Provisions)** and incorporated by reference. If there is any conflict between the approved Cost Proposal and this AGREEMENT, this AGREEMENT shall take precedence.

C. CONTRACTOR agrees to the fullest extent permitted by law, to indemnify, protect, defend, and hold harmless COUNTY, its officers, officials, agents, employees and volunteers from and against any and all claims, damages, demands, liability, costs, losses and expenses, including without limitation, court costs and reasonable attorneys' and expert witness fees, arising out of any failure to comply with applicable law, any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise arising out of the performance of the work described herein, to the extent caused by a negligent act or negligent failure to act, errors, omissions, recklessness or willful misconduct incident to the performance of this AGREEMENT on the part of CONTRACTOR, except such loss or damage which was caused by the sole negligence, or willful misconduct of COUNTY, as determined by a Court of competent jurisdiction. The provisions of this section shall survive termination or suspension of this AGREEMENT.

D. CONTRACTOR in the performance of this AGREEMENT, shall act in an independent capacity. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor, and that no relationship of employer-employee exists between the parties hereto. CONTRACTOR's assigned personnel shall not be entitled to any benefits payable to employees of COUNTY.

E. COUNTY is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of the AGREEMENT, and is not required to issue W-2 Forms for income and employment tax purposes for any of CONTRACTOR's assigned personnel. CONTRACTOR, in the performance of its obligation hereunder, is only subject to the control or direction of the COUNTY as to the designation of tasks to be performed and theresults to be accomplished.

F. Any third-party person(s) employed by CONTRACTOR shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. CONTRACTOR hereby indemnifies and holds COUNTY harmless from any and all claims that may be made against COUNTY based upon anycontention by any third party that an employer-employee relationship exists by reason of this AGREEMENT.

G. Except as expressly authorized herein, CONTRACTOR 's obligations under this AGREEMENT are not assignable or transferable, and CONTRACTOR shall not subcontract any work, without the prior written approval of the COUNTY. However, claims for money due or which become due to CONTRACTOR from COUNTY under this AGREEMENT may be assigned to a financial institutionor to a trustee in bankruptcy, without such approval. Notice of any assignment or transfer whether voluntary or involuntary shall be furnished promptly to the COUNTY.

H. CONTRACTOR shall be as fully responsible to the COUNTY for the negligent acts and omissions of its contractors and subconsultants or subcontractors, and of persons either directly orindirectly employed by them, in the same manner as persons directly employed by CONTRACTOR.

I. No alteration or variation of the terms of this AGREEMENT shall be valid, unless made in writingand signed by the parties authorized to bind the parties; and no oral understanding or agreementnot incorporated herein, shall be binding on any of the parties hereto.

J. The consideration to be paid to CONTRACTOR as provided herein, shall be in compensation for allof CONTRACTOR’s expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided.

Article II Contractor’s Reports or Meetings

(Choose either Option 1 or Option 2)

☒ (Option 1 – Use Paragraphs A & B below for standard AGREEMENT)

A. CONTRACTOR shall submit progress reports at least once a month. The report should be sufficiently detailed for the COUNTY’s Contract Administrator to determine, if CONTRACTOR is performing to expectations, or is on schedule; to provide communication of interim findings, and to sufficiently address any difficulties or special problems encountered, so remedies can be developed.

B. CONTRACTOR’s Project Manager shall meet with COUNTY’s Contract Administrator, as needed, to discuss progress on the AGREEMENT.

☐ (Option 2 – Use Paragraphs A & B below for ON-CALL AGREEMENTS)

A. CONTRACTOR shall submit progress reports on each specific project in accordance with the Task Order. These reports shall be submitted at least once a month. The report should be sufficiently detailed for

COUNTY's Contract Administrator or Project Coordinator to determine, if CONTRACTOR is performing to expectations, or is on schedule; to provide communication of interim findings, and to sufficiently address any difficulties or special problems encountered, so remedies can be developed.

B. CONTRACTOR's Project Manager shall meet with COUNTY's Contract Administrator or Project Coordinator, as needed, to discuss progress on the project(s).

Article III Statement of Work

(Insert Appropriate Statement of Work including a Description of the Deliverables) *in the following sections. If a section does not apply to the AGREEMENT, state "Not Applicable to this AGREEMENT.")*

A. CONTRACTOR Services ☐ Not Applicable to this Agreement

Detail based on the services to be furnished should be provided by CONTRACTOR. Nature and extent should be verified in the negotiations to make precise statements to eliminate subsequentuncertainties and misunderstandings. Reference to the appropriate standards for design or otherstandards for work performance stipulated in CONTRACTOR AGREEMENT should be included. Describe acceptance criteria, and if the responsible CONTRACTOR/engineer shall sign all Plans,Specifications and Estimate (PS&E) and engineering data furnished under the AGREEMENT including registration number.

Environmental documents are not considered complete until a Caltrans District Senior Environmental Planner signs the Categorical Exclusion, a Caltrans Deputy District Director signs the Finding of No Significant Impact (FONSI), or the Caltrans District Director signs the Record of Decision (see LAPM Chapter 6: Environmental Procedures, and the Standard Environmental Reference).

B. Right of Way ☐ Not Applicable to this Agreement

State whether Right of Way requirements to be determined and shown by CONTRACTOR, whether land surveys and computations with metes and bounds descriptions are to be made, and whether Right of Way parcel maps are to be furnished.

C. Surveys ☐ Not Applicable to this Agreement

State whether or not the CONTRACTOR has the responsibility for performing preliminary or construction surveys.

D. Subsurface Investigations ☐ Not Applicable to this Agreement

State specifically whether or not CONTRACTOR has the responsibility for making subsurface investigations. If borings or other specialized services are to be made by others under the supervision of CONTRACTOR, appropriate provisions are to be incorporated. Archaeological testing and data recovery guidance can be found in the Standard Environmental Reference.

E. COUNTY (LOCAL AGENCY) Obligations ☐ Not Applicable to this Agreement

All data applicable to the project and in possession of COUNTY (local agency), another agency, or government agency that are to be made available to CONTRACTOR are referred to in the AGREEMENT. Any other assistance or services to be furnished to CONTRACTOR are to be stated clearly.

F. Conferences, Site Visits, Inspection of Work ☐ Not Applicable to this Agreement

This AGREEMENT provides for conferences as needed, visits to the site, and inspection of the work by

representatives of the COUNTY, State, and/or FHWA. Costs incurred by CONTRACTOR for meetings, subsequent to the initial meeting shall be included in the fee.

G. Checking Shop Drawings ☐ Not Applicable to this Agreement

For AGREEMENTS requiring the preparation of construction drawings, and make provision for checking shop drawings. Payment for checking shop drawings by CONTRACTOR is included in the AGREEMENT fee, or provision may be made for separate payment.

H. CONTRACTOR Services During Construction ☐ Not Applicable to this Agreement

The extent, if any of CONTRACTOR's services during the course of construction as material testing, construction surveys, etc., are specified in the AGREEMENT together with the method of payment for such services.

I. Documentation and Schedules ☐ Not Applicable to this Agreement

AGREEMENTS where appropriate, shall provide that CONTRACTOR document the results of the work to the satisfaction of COUNTY, and if applicable, the State and FHWA. This may include preparation of progress and final reports, plans, specifications and estimates, or similar evidence of attainment of the AGREEMENT objectives.

J. Deliverables and Number of Copies ☐ Not Applicable to this Agreement

The number of copies or documents to be furnished such as reports, brochures, sets of plans, specifications, or Right of Way parcel maps *shall be specified.* Provision may be made for payment for additional copies.

Article IV Performance Period

A time must be set for beginning and ending the work under the AGREEMENT. The time allowedfor performing the work is specified; it should be reasonable for the kind and amount of services contemplated; and it is written into the AGREEMENT. If it is desirable that Critical Path Method (CPM) networks, or other types of schedules be prepared by CONTRACTOR, they should be identified and incorporated into the AGREEMENT.

A. This AGREEMENT shall go into effect on (month, date, year), contingent upon approval by COUNTY, and CONTRACTOR shall commence work after notification to proceed by COUNTY Contract Administrator. The AGREEMENT shall end on (month, date, year)**,** unless extended by AGREEMENT amendment.

B. CONTRACTOR is advised that any recommendation for AGREEMENT award is not binding on COUNTY until the AGREEMENT is fully executed and approved by COUNTY.

Use paragraph C below in addition to paragraphs A & B above for on-call AGREEMENTS. On-call AGREEMENTS shall be five (5) years maximum.

C. The period of performance for each specific project shall be in accordance with the Task Order for that project. If work on a Task Order is in progress on the expiration date of this AGREEMENT, the terms of the AGREEMENT shall be extended by AGREEMENT amendment prior to the expiration of the AGREEMENT to cover the time needed to complete the task order in progress only. The maximum term shall not exceed five (5) years.

Article V Allowable Costs and Payments

(Choose either Option 1, 2, 3, or 4)

☒ *(Option 1 - Use paragraphs A through K below for Cost-Plus-Fixed Fee AGREEMENTS. Use Exhibit10-H1: Cost Proposal Format)*

A. The method of payment for this AGREEMENT will be based on actual cost plus a fixed fee. COUNTY will reimburse CONTRACTOR for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs) incurred by CONTRACTOR in performance of the work. CONTRACTOR will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in the approved CONTRACTOR's Cost Proposal, unless additional reimbursement is provided for by AGREEMENT amendment. In no event, will CONTRACTOR be reimbursed for overhead costs at a rate that exceeds COUNTY's approved overhead rate set forth in the Cost Proposal. In the event, that COUNTY determines that a change to the work from that specified in the Cost Proposal and AGREEMENT is required, the AGREEMENT time or actual costs reimbursable by COUNTY shall be adjusted by AGREEMENT amendment to accommodate the changed work. The maximum total cost as specified in Paragraph "I" of this Article shall not be exceeded, unless authorized by AGREEMENT amendment.

B. The indirect cost rate established for this AGREEMENT is extended through the duration of this specific AGREEMENT. CONTRACTOR's agreement to the extension of the one (1)-year applicable period shall not be a condition or qualification to be considered for the work or AGREEMENT award.

C. In addition to the allowable incurred costs, COUNTY will pay CONTRACTOR a fixed fee of $_____. The fixed fee is nonadjustable for the term of the AGREEMENT, except in the event of a significant change in the scope of work and such adjustment is made by AGREEMENT amendment.

D. Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the approved Cost Proposal.

E. When milestone cost estimates are included in the approved Cost Proposal, CONTRACTOR shall obtain prior written approval for a revised milestone cost estimate from the Contract Administrator before exceeding such cost estimate.

F. Progress payments will be made monthly in arrears based on services provided and allowable incurred costs. A pro rata portion of CONTRACTOR's fixed fee will be included in the monthly progress payments. If CONTRACTOR fails to submit the required deliverable items according to the schedule set forth in Article III Statement of Work, COUNTY shall have the right to delay payment or terminate this AGREEMENT.

G. No payment will be made prior to approval of any work, nor for any work performed prior to approval of this AGREEMENT.

H. CONTRACTOR will be reimbursed, promptly according to California Regulations upon receipt by COUNTY's Contract Administrator of itemized invoices in duplicate. Invoices shall be submitted no later than thirty (30) calendar days after the performance of work for which CONTRACTOR is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this AGREEMENT number and project title.

Final invoice must contain the final cost and all credits due COUNTY including any equipment purchased under the provisions of Article XI Equipment Purchase. The final invoice should be submitted within sixty (60) calendar days after completion of CONTRACTOR's work. Invoices shall be mailed to COUNTY's Contract Administrator at the following address:

County of Monterey
Department of Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas, CA 93901-4527
Attn: Finance Division

I. The total amount payable by COUNTY including the fixed fee shall not exceed $_____.

J. For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases, which are the direct result of changes in the prevailing wage rates are reimbursable.

☐ *(Option 2 - For Cost per Unit of Work AGREEMENTS, replace paragraphs A & B of Option 1 with the following paragraphs A, B, and C and re-letter the remaining paragraphs. Adjust as necessary for workspecific to your project. Use Exhibit 10-H3: Cost Proposal Format*).

A. The method of payment for the following items shall be at the rate specified for each item, as described in this Article. The specified rate shall include full compensation to CONTRACTOR for the item as described, including but not limited to, any repairs, maintenance, or insurance, and no further compensation will be allowed, therefore.

B. The specified rate to be paid for vehicle expense for CONTRACTOR's field personnel shall be $_____ per approved Cost Proposal. This rate shall be for a fully equipped vehicle(s) specified in Article III Statement of Work, as applicable the specified rate to be paid for equipment shall be, as listed in the approved Cost Proposal.

C. The method of payment for this AGREEMENT, except those items to be paid for on a specified rate basis, will be based on cost per unit of work. COUNTY will reimburse CONTRACTOR for actual costs (including labor costs, employee benefits, travel, equipment-rental costs, overhead and other direct costs) incurred by CONTRACTOR in performance of the work. CONTRACTOR will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead and other estimated costs set forth in the approved Cost Proposal, unless additional reimbursement is provided for, by AGREEMENT amendment. In no event, will CONTRACTOR be reimbursed for overhead costs at a rate that exceeds COUNTY approved overhead rate set forth in the approved Cost Proposal. In the event, COUNTY determines that changed work from that specified in the approved Cost Proposal and AGREEMENT is required; the actual costs reimbursable by COUNTY may be adjusted by AGREEMENT amendment to accommodate the changed work. The maximum total cost as specified in Paragraph "I," of this article shall not be exceeded unless authorized by AGREEMENT amendment.

☐ ***(Option 3 - Use paragraphs A through P for Specific Rates of Compensation Agreements [such as on-call Agreements].*** **This payment method shall only be used when it is not possible at the time of procurement to**

estimate the extent or duration of the work or to estimate costs with any reasonable degree of accuracy. The specific rates of compensation payment method should be limited to AGREEMENTS or components of AGREEMENTS for specialized or support type services where the CONTRACTOR is not in direct control of the number of hours worked, such as construction engineering and inspection. *Use Exhibit 10-H2: Cost Proposal Format).*

A. CONTRACTOR will be reimbursed for hours worked at the hourly rates specified in CONTRACTOR's approved Cost Proposal. The specified hourly rates shall include direct salary costs, employee benefits, prevailing wages, employer payments, overhead, and fee. These rates are not adjustable for the performance period set forth in this AGREEMENT. CONTRACTOR will be reimbursed within thirty (30) calendar days upon receipt by COUNTY's Contract Administrator of itemized invoices in duplicate.

B. In addition, CONTRACTOR will be reimbursed for incurred (actual) direct costs other than salary costs that are in the approved Cost Proposal and identified in the approved cost proposal and in the executed Task Order.

C. Specific projects will be assigned to CONTRACTOR through issuance of Task Orders.

D. After a project to be performed under this AGREEMENT is identified by COUNTY, COUNTY will prepare a draft Task Order; less the cost estimate. A draft Task Order will identify the scope of services, expected results, project deliverables, period of performance, project schedule and will designate a COUNTY Project Coordinator. The draft Task Order will be delivered to CONTRACTOR for review. CONTRACTOR shall return the draft Task Order within ten (10) calendar days along with a Cost Estimate, including a written estimate of the number of hours and hourly rates per staff person, any anticipated reimbursable expenses, overhead, fee if any, and total dollar amount. After agreement has been reached on the negotiable items and total cost; the finalized Task Order shall be signed by both COUNTY and CONTRACTOR.

E. Task Orders may be negotiated for a lump sum (Firm Fixed Price) or for specific rates of compensation, both of which must be based on the labor and other rates set forth in CONTRACTOR's approved Cost Proposal.

CONTRACTOR shall be responsible for any future adjustments to prevailing wage rates including but not limited to, base hourly rates and employer payments as determined by the Department of Industrial Relations. CONTRACTOR is responsible for paying the appropriate rate, including escalations that take place during the term of the AGREEMENT.

F. (*COUNTY to include either (a) or (b) below; delete the other one (1))*

(a) Reimbursement for transportation and subsistence costs shall not exceed State rates.

(b) Reimbursement for transportation and subsistence costs shall not exceed the rates as specified in the approved Cost Proposal. CONTRACTOR will be responsible for transportation and subsistence costs in excess of State rates.

G. When milestone cost estimates are included in the approved Cost Proposal, CONTRACTOR shall obtain

prior written approval in the form of an AGREEMENT amendment for a revised milestone cost estimate from the Contract Administrator before exceeding such estimate.

H. Progress payments for each Task Order will be made monthly in arrears based on services provided and actual costs incurred.

I. CONTRACTOR shall not commence performance of work or services until this AGREEMENT has been approved by COUNTY, and notification to proceed has been issued by COUNTY'S Contract Administrator. No payment will be made prior to approval or for any work performed prior to approval of this AGREEMENT.

J. A Task Order is of no force or effect until returned to COUNTY and signed by an authorized representative of COUNTY. No expenditures are authorized on a project and work shall not commence until a Task Order for that project has been executed by COUNTY.

K. CONTRACTOR will be reimbursed, within thirty (30) days upon receipt by COUNTY'S Contract Administrator of itemized invoices in duplicate. Separate invoices itemizing all costs are required for all work performed under each Task Order. Invoices shall be submitted no later than thirty (30) calendar days after the performance of work for which CONTRACTOR is billing, or upon completion of the Task Order. Invoices shall detail the work performed on each milestone, on each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this AGREEMENT number, project title and Task Order number. Credits due COUNTY that include any equipment purchased under the provisions of Article XI Equipment Purchase, must be reimbursed by CONTRACTOR prior to the expiration or termination of this AGREEMENT. Invoices shall be mailed to COUNTY's Contract Administrator at the following address:

County of Monterey
Department of Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas, CA 93901-4527
Attn: Finance Division

L. The period of performance for Task Orders shall be in accordance with dates specified in the Task Order. No Task Order will be written which extends beyond the expiration date of this AGREEMENT.

M. The total amount payable by COUNTY for an individual Task Order shall not exceed the amount agreed to in the Task Order, unless authorized by amendment.

N. If CONTRACTOR fails to satisfactorily complete a deliverable according to the schedule set forth in a Task Order, no payment will be made until the deliverable has been satisfactorily completed.

O. Task Orders may not be used to amend the language (or terms) of this AGREEMENT nor to exceed the scope of work under this AGREEMENT.

P. The total amount payable by COUNTY for all Task Orders resulting from this AGREEMENT shall not exceed **$** It is understood and agreed that there is no guarantee, either expressed or implied that this dollar amount will be authorized under this AGREEMENT through Task Orders.

☐ *(Option 4 - Use paragraphs A through E below for lump sum AGREEMENTS. Use Exhibit 10-H1: CostProposal Format)*

A. The method of payment for this AGREEMENT will be based on lump sum. The total lump sum price paid to CONTRACTOR will include compensation for all work and deliverables, including travel and equipment described in Article III Statement of Work. No additional compensation will be paid to CONTRACTOR, unless there is a change in the scope of the work or the scope of the project. In the instance of a change in the scope of work or scope of the project, adjustment to the total lump sum compensation will be negotiated between CONTRACTOR and COUNTY. Adjustment in the total lump sum compensation will not be effective until authorized by contract amendment and approved by COUNTY.

B. Progress payments may be made monthly in arrears based on the percentage of work completed by CONTRACTOR. If CONTRACTOR fails to submit the required deliverable items according to the schedule set forth in Article III Statement of Work, COUNTY shall have the right to delay payment or terminate this AGREEMENT in accordance with the provisions of Article VI Termination.

C. CONTRACTOR shall not commence performance of work or services until this AGREEMENT has been approved by COUNTY and notification to proceed has been issued by COUNTY'S Contract Administrator. No payment will be made prior to approval of any work, or for any work performed prior to approval of this AGREEMENT.

D. CONTRACTOR will be reimbursed within thirty (30) days upon receipt by County's Contract Administrator of itemized invoices in duplicate. Invoices shall be submitted no later than thirty (30) calendar days after the performance of work for which CONTRACTOR is billing. Invoices shall detail the work performed on each milestone, on each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this AGREEMENT number and project title. Final invoice must contain the final cost and all credits due COUNTY that include any equipment purchased under the provisions of Article XI Equipment Purchase. The final invoice must be submitted within sixty (60) calendar days after completion of CONTRACTOR's work unless a later date id approved by County. Invoices shall be mailed to COUNTY's Contract Administrator at the following address:

County of Monterey
Department of Public Works, Facilities and Parks
1441 Schilling Place, South 2nd Floor
Salinas, CA 93901-4527
Attn: Finance Division

E. The total amount payable by COUNTY shall not exceed $_____.

Article VI Termination

A. This AGREEMENT may be terminated by COUNTY, provided that COUNTY gives not less than thirty (30) calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate. Upon termination, COUNTY shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings, and data estimates performed to that date, whether completed or not.

B. COUNTY may temporarily suspend this AGREEMENT, at no additional cost to COUNTY, provided that CONTRACTOR is given written notice (delivered by certified mail, return receipt requested) of temporary suspension. If COUNTY gives such notice of temporary suspension, CONRACTOR shall immediately suspend its activities under this AGREEMENT. A temporary suspension may be issued concurrent with the notice of termination.

C. Notwithstanding any provisions of this AGREEMENT, CONTRACTOR shall not be relieved of liability to COUNTY for damages sustained by COUNTY by virtue of any breach of this AGREEMENT by CONTRACTOR, and COUNTY may withhold any payments due to CONTRACTOR until such time as exact amount of damages, if any, due COUNTY from CONTRACTOR isdetermined.

D. In the event of termination, CONTRACTOR shall be compensated as provided for in this AGREEMENT. Upon termination, COUNTY shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings, and data estimates performed to that date, whether completed or not.

Article VII Cost Principles and Administrative Requirements

A. CONTRACTOR agrees that 48 CFR Part 31, Contract Cost Principles and Procedures shall be used to determine the allowability of individual terms of cost.

B. CONTRACTOR also agrees to comply with Federal procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

C. Any costs for which payment has been made to CONTRACTOR that are determined by subsequent audit to be unallowable under 48 CFR Part 31 or 2 CFR Part 200 are subject to repayment by CONTRACTOR to COUNTY.

D. When a CONTRACTOR or subcontractor is a Non-Profit Organization or an Institution of Higher Education, the Cost Principles for Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards shall apply.

Article VIII Retention of Records/Audit

For the purpose of determining compliance with Government Code §8546.7, the CONTRACTOR, subcontractors, and COUNTY shall maintain all books, documents, papers, accounting records, Independent CPA Audited Indirect Cost Rate workpapers, and other evidence pertaining to the performance of the AGREEMENT, including but not limited to, the costs of administering the AGREEMENT. All parties, including the CONTRACTOR's Independent CPA, shall make such workpapers and materials available at their respective offices at all reasonable times during the AGREEMENT period and for three (3) years from the date of final payment under the AGREEMENT. COUNTY, Caltrans Auditor, FHWA, or any duly authorized representative of the Federal Government having jurisdiction under Federal laws or regulations (including the basis of Federal funding in whole or in part) shall have access to any books, records, and documents of CONTRACTOR, subcontractor and the CONTRACTOR's Independent CPA, that are pertinent to the AGREEMENT for audits, examinations, workpaper review, excerpts, and transactions, and copies thereof shall be furnished if requested without limitation.

Article IX Audit Review Procedures

A. Any dispute concerning a question of fact arising under an interim or post audit of this AGREEMENT that

is not disposed of by AGREEMENT, shall be reviewed by COUNTY'S Chief Financial Officer.

B. Not later than thirty (30) calendar days after issuance of the final audit report, CONTRACTOR may request a review by COUNTY'S Chief Financial Officer of unresolved audit issues. The request for review will be submitted in writing.

C. Neither the pendency of a dispute nor its consideration by COUNTY will excuse CONTRACTOR from full and timely performance, in accordance with the terms of this AGREEMENT.

D. CONTRACTOR and subcontractor AGREEMENTS, including cost proposals and Indirect Cost Rates (ICR), may be subject to audits or reviews such as, but not limited to, an AGREEMENT audit, an incurred cost audit, an ICR Audit, or a CPA ICR audit work paper review. If selected for audit or review, the AGREEMENT, cost proposal and ICR and related work papers, if applicable, will be reviewed to verify compliance with 48 CFR, Part 31 and other related laws and regulations. In the instances of a CPA ICR audit work paper review, it is CONTRACTOR's responsibility to ensure federal, state, COUNTY or local government officials are allowed full access to the CPA's work papers including making copies as necessary. The AGREEMENT, cost proposal, and ICR shall be adjusted by CONTRACTOR and approved by COUNTY Contract Administrator to conform to the audit or review recommendations. CONTRACTOR agrees that individual terms of costs identified in the audit report shall be incorporated into the AGREEMENT by this reference if directed by COUNTY at its sole discretion. Refusal by CONTRACTOR to incorporate audit or review recommendations, or to ensure that the federal, COUNTY or local governments have access to CPA work papers, will be considered a breach of AGREEMENT terms and cause for termination of the AGREEMENT and disallowance of prior reimbursed costs.

E. CONTRACTOR's Cost Proposal may be subject to a CPA ICR Audit Work Paper Review and/or audit by the Independent Office of Audits and Investigations (IOAI). IOAI, at its sole discretion, may review and/or audit and approve the CPA ICR documentation. The Cost Proposal shall be adjusted by the CONTRACTOR and approved by the COUNTY Contract Administrator to conform to the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report. Refusal by the CONTRACTOR to incorporate the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report will be considered a breach of the AGREEMENT terms and cause for termination of the AGREEMENT and disallowance of prior reimbursed costs.

1. During IOAI's review of the ICR audit work papers created by the CONTRACTOR's independent CPA, IOAI will work with the CPA and/or CONTRACTOR toward a resolution of issues that arise during the review. Each party agrees to use its best efforts to resolve any audit disputes in a timely manner. If IOAI identifies significant issues during the review and is unable to issue a cognizant approval letter, COUNTY will reimburse the CONTRACTOR at an accepted ICR until a FAR (Federal Acquisition Regulation) compliant ICR {e.g. 48 CFR, Part 31; GAGAS (Generally Accepted Government Auditing Standards); CAS (Cost Accounting Standards), if applicable; in accordance with procedures and guidelines of the American Association of State Highways and Transportation Officials (AASHTO) Audit Guide; and other applicable procedures and guidelines} is received and approved by IOAI.

Accepted rates will be as follows:

a. If the proposed rate is less than one hundred fifty percent (150%) - the accepted rate reimbursed will be ninety percent (90%) of the proposed rate.

b. If the proposed rate is between one hundred fifty percent (150%) and two hundred percent (200%) - the accepted rate will be eighty-five percent (85%) of the proposed rate.

c. If the proposed rate is greater than two hundred percent (200%) - the accepted rate will be seventy-five percent (75%) of the proposed rate.

2. If IOAI is unable to issue a cognizant letter per paragraph E.1. above, IOAI may require CONTRACTOR to submit a revised independent CPA-audited ICR and audit report within three (3) months of the effective date of the management letter. IOAI will then have up to six (6) months to review the CONTRACTOR's and/or the independent CPA's revisions.

3. If the CONTRACTOR fails to comply with the provisions of this paragraph E, or if IOAI is still unable to issue a cognizant approval letter after the revised independent CPA-audited ICR is submitted, overhead cost reimbursement will be limited to the accepted ICR that was established upon initial rejection of the ICR and set forth in paragraph E.1. above for all rendered services. In this event, this accepted ICR will become the actual and final ICR for reimbursement purposes under this AGREEMENT.

4. CONTRACTOR may submit to COUNTY final invoice only when all of the following items have occurred: (1) IOAI accepts or adjusts the original or revised independent CPA-audited ICR; (2) all work under this AGREEMENT has been completed to the satisfaction of COUNTY; and, (3) IOAI has issued its final ICR review letter. The CONTRACTOR MUST SUBMIT ITS FINAL INVOICE TO COUNTY no later than sixty (60) calendar days after occurrence of the last of these items. The accepted ICR will apply to this AGREEMENT and all other agreements executed between COUNTY and the CONTRACTOR, either as a prime or subcontractor, with the same fiscal period ICR.

Article X Subcontracting

A. Nothing contained in this AGREEMENT or otherwise, shall create any contractual relation between the COUNTY and any subcontractor(s), and no subagreement shall relieve the CONTRACTOR of its responsibilities and obligations hereunder. The CONTRACTOR agrees to be as fully responsible to the COUNTY for the acts and omissions of its subcontractor(s) and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the CONTRACTOR. The CONTRACTOR's obligation to pay its subcontractor(s) is an independent obligation from the COUNTY's obligation to make payments to the CONTRACTOR.

B. CONTRACTOR shall perform the work contemplated with resources available within its own organization and no portion of the work shall be subcontracted without written authorization by COUNTY's Contract Administrator, except that, which is expressly identified in the CONTRACTOR's approved Cost Proposal.

C. Any subagreement entered into as a result of this AGREEMENT shall contain all the provisions stipulated in this entire AGREEMENT to be applicable to subcontractors unless otherwise noted.

D. CONTRACTOR shall pay its subcontractors within fifteen (15) calendar days from receipt of each payment

made to the CONTRACTOR by the COUNTY.

E. Any substitution of subcontractor(s) must be approved in writing by COUNTY's Contract Administrator in advance of assigning work to a substitute subcontractor(s).

F. Prompt Progress Payment
CONTRACTOR or subcontractor shall pay to any subcontractor, not later than fifteen (15) days after receipt of each progress payment, unless otherwise agreed to in writing, the respective amounts allowed CONTRACTOR on account of the work performed by the subcontractors, to the extent of each subcontractor's interest therein. In the event that there is a good faith dispute over all or any portion of the amount due on a progress payment from CONTRACTOR or subcontractor to a subcontractor, CONTRACTOR or subcontractor may withhold no more than one hundred fifty percent (150%) of the disputed amount. Any violation of this requirement shall constitute a cause for disciplinary action and shall subject the licensee to a penalty, payable to the subcontractor, of two percent (2%) percent of the amount due per month for every month that payment is not made.

In any action for the collection of funds wrongfully withheld, the prevailing party shall be entitled to his or her attorney's fees and costs. The sanctions authorized under this requirement shall be separate from, and in addition to, all other remedies, either civil, administrative, or criminal. This clause applies to both DBE and non-DBE subcontractors.

G. Prompt Payment of Withheld Funds to subcontractors
The COUNTY may hold retainage from CONTRACTOR and shall make prompt and regular incremental acceptances of portions, as determined by the COUNTY, of the contract work, and pay retainage to CONTRACTOR based on these acceptances. The COUNTY shall designate one of the methods below in the contract to ensure prompt and full payment of any retainage kept by CONTRACTOR or subcontractor to a subcontractor. (Choose either Method 1, Method 2, or Method 3 below and delete the other two (2).)

☐ **Method 1**: No retainage will be held by the COUNTY from progress payments due to CONTRACTOR. CONTRACTORS and subcontractors are prohibited from holding retainage from subcontractors. Any delay or postponement of payment may take place only for good cause and with the COUNTY's prior written approval. Any violation of these provisions shall subject the violating CONTRACTOR or subcontractor to the penalties, sanctions, and other remedies specified in Section 3321 of the California Civil Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies, otherwise available to CONTRACTOR or subcontractor in the event of a dispute involving late payment or nonpayment by CONTRACTOR, deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

☐ **Method 2**: No retainage will be held by the COUNTY from progress payments due to CONTRACTOR. Any retainage kept by CONTRACTOR or by a subcontractor must be paid in full to the earning subcontractor within fifteen (15) days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment may take place only for good cause and with the COUNTY's prior written approval. Any violation of these provisions shall subject the violating CONTRACTOR or subcontractor to the penalties, sanctions, and remedies specified in Section 3321 of the California Civil Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies, otherwise available to CONTRACTOR or subcontractor in the event of a dispute involving late payment or

nonpayment by CONTRACTOR, deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

☐ **Method 3**: The COUNTY shall hold retainage from CONTRACTOR and shall make prompt and regular incremental acceptances of portions, as determined by the COUNTY of the contract work and pay retainage to CONTRACTOR based on these acceptances. CONTRACTOR or subcontractor shall return all monies withheld in retention from all subcontractors within fifteen (15) days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the COUNTY. Any delay or postponement of payment may take place only for good cause and with the COUNTY's prior written approval. Any violation of these provisions shall subject the violating CONTRACTOR or subcontractor to the penalties, sanctions, and other remedies specified in Section 3321 of the California Civil Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies otherwise available to CONTRACTOR or subcontractor in the event of a dispute involving late payment or nonpayment by CONTRACTOR; deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors. Any violation of these provisions shall subject the violating CONTRACTOR or subcontractor to the penalties, sanctions and other remedies specified therein. These requirements shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to CONTRACTOR or subcontractor in the event of a dispute involving late payment or nonpayment by CONTRACTOR, deficient subcontract performance, or noncompliance by a subcontractor.

Article XI Equipment Purchase and Other Capital Expenditures

A. Prior authorization in writing, by COUNTY's Contract Administrator shall be required before CONTRACTOR enters into any unbudgeted purchase order, or subcontract exceeding five thousand dollars ($5,000) for supplies, equipment, or CONTRACTOR services. CONTRACTOR shall provide an evaluation of the necessity or desirability of incurring such costs.

B. For purchase of any item, service or consulting work not covered in CONTRACTOR's approved Cost Proposal and exceeding five thousand dollars ($5,000) with prior authorization by COUNTY's Contract Administrator; three competitive quotations must be submitted with the request, or the absence of proposal must be adequately justified.

C. Any equipment purchased with funds provided under the terms of this AGREEMENT is subject to the following:

1. CONTRACTOR shall maintain an inventory of all nonexpendable property. Nonexpendable property is defined as having a useful life of at least two years and an acquisition cost of five thousand dollars ($5,000) or more. If the purchased equipment needs replacement and is sold or traded in, COUNTY shall receive a proper refund or credit at the conclusion of the AGREEMENT, or if the AGREEMENT is terminated, CONTRACTOR may either keep the equipment and credit COUNTY in an amount equal to its fair market value, or sell such equipment at the best price obtainable at a public or private sale, in accordance with established COUNTY procedures; and credit COUNTY in an amount equal to the sales price. If CONTRACTOR elects to keep the equipment, fair market value shall be determined at CONTRACTOR's expense, on the basis of a competent independent appraisal of such equipment. Appraisals shall be obtained from an appraiser mutually agreeable to by COUNTY and CONTRACTOR, if it is determined to sell the equipment, the terms and conditions of such sale must be approved in advance by COUNTY.

2. Regulation 2 CFR Part 200 requires a credit to Federal funds when participating equipment with a fair market value greater than five thousand dollars ($5,000) is credited to the project.

Article XII State Prevailing Wage Rates

A. No CONTRACTOR or subcontractor may be awarded an AGREEMENT containing public work elements unless registered with the Department of Industrial Relations (DIR) pursuant to Labor Code §1725.5. Registration with DIR must be maintained throughout the entire term of this AGREEMENT, including any subsequent amendments.

B. The CONTRACTOR shall comply with all of the applicable provisions of the California Labor Code requiring the payment of prevailing wages. The General Prevailing Wage Rate Determinations applicable to work under this AGREEMENT are available and on file with the Department of Transportation's Regional/District Labor Compliance Officer (https://dot.ca.gov/programs/construction/labor-compliance). These wage rates are made a specific part of this AGREEMENT by reference pursuant to Labor Code §1773.2 and will be applicable to work performed at a construction project site. Prevailing wages will be applicable to all inspection work performed at COUNTY construction sites, at COUNTY facilities and at off-site locations that are set up by the construction contractor or one of its subcontractors solely and specifically to serve COUNTY projects. Prevailing wage requirements do not apply to inspection work performed at the facilities of vendors and commercial materials suppliers that provide goods and services to the general public.

C. General Prevailing Wage Rate Determinations applicable to this project may also be obtained from the Department of Industrial Relations website at http://www.dir.ca.gov.

D. Payroll Records

1. Each CONTRACTOR and subcontractor shall keep accurate certified payroll records and supporting documents as mandated by Labor Code §1776 and as defined in 8 CCR §16000 showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the CONTRACTOR or subcontractor in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

    a. The information contained in the payroll record is true and correct.

    b. The employer has complied with the requirements of Labor Code §1771, §1811, and §1815 for any work performed by his or her employees on the public works project.

2. The payroll records enumerated under paragraph (1) above shall be certified as correct by the CONTRACTOR under penalty of perjury. The payroll records and all supporting documents shall be made available for inspection and copying by COUNTY representatives at all reasonable hours at the principal office of the CONTRACTOR. The CONTRACTOR shall provide copies of certified payrolls or permit inspection of its records as follows:

    a. A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or the employee's authorized representative on request.

b. A certified copy of all payroll records enumerated in paragraph (1) above, shall be made available for inspection or furnished upon request to a representative of COUNTY, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards of the Department of Industrial Relations. Certified payrolls submitted to COUNTY, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards shall not be altered or obliterated by the CONTRACTOR.

c. The public shall not be given access to certified payroll records by the CONTRACTOR. The CONTRACTOR is required to forward any requests for certified payrolls to the COUNTY Contract Administrator by both email and regular mail on the business day following receipt of the request.

3. Each CONTRACTOR shall submit a certified copy of the records enumerated in paragraph (1) above, to the entity that requested the records within ten (10) calendar days after receipt of a written request.

4. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by COUNTY shall be marked or obliterated in such a manner as to prevent disclosure of each individual's name, address, and social security number. The name and address of the CONTRACTOR or subcontractor performing the work shall not be marked or obliterated.

5. The CONTRACTOR shall inform COUNTY of the location of the records enumerated under paragraph (1) above, including the street address, city and county, and shall, within five (5) working days, provide a notice of a change of location and address.

6. The CONTRACTOR or subcontractor shall have ten (10) calendar days in which to comply subsequent to receipt of written notice requesting the records enumerated in paragraph (1) above. In the event the CONTRACTOR or subcontractor fails to comply within the ten (10) day period, he or she shall, as a penalty to COUNTY, forfeit one hundred dollars ($100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Such penalties shall be withheld by COUNTY from payments then due. CONTRACTOR is not subject to a penalty assessment pursuant to this section due to the failure of a subcontractor to comply with this section.

E. When prevailing wage rates apply, the CONTRACTOR is responsible for verifying compliance with certified payroll requirements. Invoice payment will not be made until the invoice is approved by the COUNTY Contract Administrator.

F. Penalty

1. The CONTRACTOR and any of its subcontractor shall comply with Labor Code §1774 and §1775. Pursuant to Labor Code §1775, the CONTRACTOR and any Subcontractor shall forfeit to the COUNTY a penalty of not more than two hundred dollars ($200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of DIR for the work or craft in which the worker is employed for any public work done under the contract by the CONTRACTOR or by its subcontractor in violation of the requirements of the Labor Code

and in particular, Labor Code §§1770 to 1780, inclusive.

2. The amount of this forfeiture shall be determined by the Labor Commissioner and shall be based on consideration of mistake, inadvertence, or neglect of the CONTRACTOR or subcontractor in failing to pay the correct rate of prevailing wages, or the previous record of the CONTRACTOR or subcontractor in meeting their respective prevailing wage obligations, or the willful failure by the CONTRACTOR or subcontractor to pay the correct rates of prevailing wages. A mistake, inadvertence, or neglect in failing to pay the correct rates of prevailing wages is not excusable if the CONTRACTOR or subcontractor had knowledge of the obligations under the Labor Code. The CONTRACTOR is responsible for paying the appropriate rate, including any escalations that take place during the term of the AGREEMENT.

3. In addition to the penalty and pursuant to Labor Code §1775, the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the CONTRACTOR or subcontractor.

4. If a worker employed by a subcontractor on a public works project is not paid the general prevailing per diem wages by the subcontractor, the prime CONTRACTOR of the project is not liable for the penalties described above unless the prime CONTRACTOR had knowledge of that failure of the subcontractor to pay the specified prevailing rate of wages to those workers or unless the prime CONTRACTOR fails to comply with all of the following requirements:

    a. The AGREEMENT executed between the CONTRACTOR and the subcontractor for the performance of work on public works projects shall include a copy of the requirements in Labor Code §§ 1771, 1775, 1776, 1777.5, 1813, and 1815.

    b. The CONTRACTOR shall monitor the payment of the specified general prevailing rate of per diem wages by the subcontractor to the employees by periodic review of the certified payroll records of the subcontractor.

    c. Upon becoming aware of the subcontractor's failure to pay the specified prevailing rate of wages to the subcontractor's workers, the CONTRACTOR shall diligently take corrective action to halt or rectify the failure, including but not limited to, retaining sufficient funds due the subcontractor for work performed on the public works project.

    d. Prior to making final payment to the subcontractor for work performed on the public works project, the CONTRACTOR shall obtain an affidavit signed under penalty of perjury from the Subcontractor that the subcontractor had paid the specified general prevailing rate of per diem wages to the subcontractor's employees on the public works project and any amounts due pursuant to Labor Code §1813.

5. Pursuant to Labor Code §1775, COUNTY shall notify the CONTRACTOR on a public works project within fifteen (15) calendar days of receipt of a complaint that a subcontractor has failed to pay workers the general prevailing rate of per diem wages.

6. If COUNTY determines that employees of a subcontractor were not paid the general prevailing rate of per diem wages and if COUNTY did not retain sufficient money under the AGREEMENT to pay those employees the balance of wages owed under the general prevailing rate of per diem wages, the CONTRACTOR shall withhold an amount of moneys due the subcontractor sufficient

to pay those employees the general prevailing rate of per diem wages if requested by COUNTY.

G. Hours of Labor

Eight (8) hours labor constitutes a legal day's work. The CONTRACTOR shall forfeit, as a penalty to the COUNTY, twenty-five dollars ($25) for each worker employed in the execution of the AGREEMENT by the CONTRACTOR or any of its subcontractors for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code, and in particular §§1810 to 1815 thereof, inclusive, except that work performed by employees in excess of eight (8) hours per day, and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day and forty (40) hours in any week, at not less than one and one-half (1.5) times the basic rate of pay, as provided in §1815.

H. Employment of Apprentices

1. Where either the prime AGREEMENT or the subcontract exceeds thirty thousand dollars ($30,000), the CONTRACTOR and any subcontractors under him or her shall comply with all applicable requirements of Labor Code §§ 1777.5, 1777.6 and 1777.7 in the employment of apprentices.

2. CONTRACTORs and subcontractors are required to comply with all Labor Code requirements regarding the employment of apprentices, including mandatory ratios of journey level to apprentice workers. Prior to commencement of work, CONTRACTOR and subcontractors are advised to contact the DIR Division of Apprenticeship Standards website at https://www.dir.ca.gov/das for additional information regarding the employment of apprentices and for the specific journey-to- apprentice ratios for the AGREEMENT work. The CONTRACTOR is responsible for all subcontractors' compliance with these requirements. Penalties are specified in Labor Code §1777.7.

Article XIII Conflict of Interest

A. During the term of this AGREEMENT, the CONTRACTOR shall disclose any financial, business, or other relationship with COUNTY that may have an impact upon the outcome of this AGREEMENT, or any ensuing COUNTY construction project. The CONTRACTOR shall also list current clients who may have a financial interest in the outcome of this AGREEMENT, or any ensuing COUNTY construction project, which will follow.

B. CONTRACTOR certifies that it has disclosed to COUNTY any actual, apparent, or potential conflicts of interest that may exist relative to the services to be provided pursuant to this AGREEMENT. CONTRACTOR agrees to advise COUNTY of any actual, apparent or potential conflicts of interest that may develop subsequent to the date of execution of this AGREEMENT.

CONTRACTOR further agrees to complete any statements of economic interest if required by either COUNTY ordinance or State law.

C. The CONTRACTOR hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this AGREEMENT.

D. CONTRACTOR hereby certifies that the CONTRACTOR or subcontractor, and any firm affiliated with CONTRACTOR or subcontractor that bids on any construction contract, or on any AGREEMENT to provide construction inspection for any construction project resulting from this AGREEMENT. An affiliated firm is

one, which is subject to the control of the same persons through joint-ownership, has established necessary controls to ensure a conflict of interest does not exist. An affiliated firm is one, which is subject to the control of the same persons, through joint ownership or otherwise.

Article XIV Rebates, Kickbacks or Other Unlawful Consideration

The CONTRACTOR warrants that this AGREEMENT was not obtained or secured through rebates kickbacks or other unlawful consideration, either promised or paid to any COUNTY employee. For breach or violation of this warranty, COUNTY shall have the right, in its discretion, to terminate this AGREEMENT without liability; to pay only for the value of the work actually performed; or to deduct from this AGREEMENT price or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

Article XV Prohibition of Expending County, State, or Federal Funds for Lobbying

(Include this article in all AGREEMENTS where federal funding will exceed $150,000. If less than $150,000 in federal funds will be expended on the AGREEMENT; delete this article and re-number subsequent articles.)

A. CONTRACTOR certifies to the best of his or her knowledge and belief that:

1. No State, Federal, or County appropriated funds have been paid or will be paid, by-or-on behalf of CONTRACTOR, to any person for influencing or attempting to influence an officer or employee of any local, State or Federal agency, a Member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding or making of this AGREEMENT, or with the extension, continuation, renewal, amendment, or modification of this AGREEMENT .

2. If any funds other than Federal appropriated funds have been paid, or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this AGREEMENT, the CONTRACTOR shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

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 31 U.S.C. §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than ten thousand dollars ($10,000) and not more than one hundred thousand dollars ($100,000), for each such failure.

C. The CONTRACTOR also agrees by signing this document that he or she shall require that the language of this certification be included in all lower-tier subagreements, which exceed one hundred thousand dollars ($100,000) and that all such subrecipients shall certify and disclose accordingly.

Article XVI Non-Discrimination Clause and Statement of Compliance

A. The CONTRACTOR's signature affixed herein and dated shall constitute a certification under penalty of perjury under the laws of the State of California that the CONTRACTOR has, unless exempt, complied with, the nondiscrimination program requirements of Government Code § 12990 and 2 CCR § 8103.

B. During the performance of this AGREEMENT, Contractor and its subcontractors shall not deny the AGREEMENT's benefits to any person on the basis of race, religious creed, color, national origin,

ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

C. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 et seq.), the applicable regulations promulgated there under (2 CCR §11000 et seq.), the provisions of Gov. Code §11135-11139.5, and the regulations or standards adopted by COUNTY to implement such article. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code §12990 (a-f), set forth 2 CCR §§8100-8504, are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.

D. CONTRACTOR shall permit access by representatives of the Department of Fair Employment and Housing and the COUNTY upon reasonable notice at any time during the normal business hours, but in no case less than twenty-four (24) hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or COUNTY shall require to ascertain compliance with this clause.

E. CONTRACTOR and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

F. CONTRACTOR shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this AGREEMENT.

G. The CONTRACTOR, with regard to the work performed under this AGREEMENT, shall act in accordance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d et seq.). Title VI provides that the recipients of federal assistance will implement and maintain a policy of nondiscrimination in which no person in the United States shall, on the basis of race, color, national origin, religion, sex, age, disability, be excluded from participation in, denied the benefits of or subject to discrimination under any program or activity by the recipients of federal assistance or their assignees and successors in interest.

H. The CONTRACTOR, shall comply with regulations relative to non-discrimination in federally-assisted programs of the United States Department of Transportation (49 CFR Part 21 - Effectuation of Title VI of the Civil Rights Act of 1964). Specifically, the CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by 49 CFR §21.5, including employment practices and the selection and retention of subcontractors.

I. CONTRACTOR, subrecipient or subcontractor will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR 26 on the basis of race, color, sex, or national origin. In administering the COUNTY components of the DBE Program Plan, CONTRACTOR, subrecipient or subcontractor will not, directly, or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE Program Plan with respect to individuals of a particular race, color, sex, or national origin.

Article XVII Debarment and Suspension Certification

A. The CONTRACTOR's signature affixed herein shall constitute a certification under penalty of perjury under the laws of the State of California, that the CONTRACTOR or any person associated therewith in the capacity of owner, partner, director, officer, or manager:

1. Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;

2. Has not been suspended, debarred, voluntarily excluded, or determined ineligible by any federal agency within the past three (3) years;

3. Does not have a proposed debarment pending; and

4. Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years.

B. Any exceptions to this certification must be disclosed to COUNTY. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining responsibility. Disclosures must indicate the party to whom the exceptions apply, the initiating agency, and the dates of agency action.

C. Exceptions to the Federal Government Excluded Parties List System (https://sam.gov/content/home) maintained by the United States General Services Administration are to be determined by FHWA.

Article XVIII Disadvantaged Business Enterprises (DBE) Participation

A. CONTRACTOR, subrecipient (COUNTY), or subcontractor shall take necessary and reasonable steps to ensure that DBEs have opportunities to participate in the contract (49 CFR 26). To ensure equal participation of DBEs provided in 49 CFR 26.5, The COUNTY shows a contract goal for DBEs. CONTRACTOR shall make work available to DBEs and select work parts consistent with available DBE subcontractors and suppliers.

CONTRACTOR shall meet the DBE goal shown elsewhere in these special provisions or demonstrate that they made adequate Good Faith Efforts (GFE) to meet this goal. It is CONTRACTOR's responsibility to verify at the date of proposal opening that the DBE firm is certified as DBE by using the California Unified Certification Program (CUCP) database and possesses the most specific available North American Industry Classification System (NAICS) codes and work code applicable to the type of work the firm will perform on the Agreement. Additionally, the CONTRACTOR is responsible to document the verification record by printing out the CUCP data for each DBE firm. A list of DBEs certified by the CUCP can be found at https://dot.ca.gov/programs/civil-rights/dbe-search

All DBE participation will count toward the California Department of Transportation's federally mandated statewide overall DBE goal. Credit for materials or supplies CONTRACTOR purchases from DBEs counts towards the goal in the following manner:

- One hundred percent (100 %) counts if the materials or supplies are obtained from a DBE manufacturer.

- Sixty percent (60%) counts if the materials or supplies are purchased from a DBE regular dealer.

- Only fees, commissions, and charges for assistance in the procurement and delivery of materials or supplies count if obtained from a DBE that is neither a manufacturer nor regular dealer. 49CFR26.55 defines "manufacturer" and "regular dealer."

This AGREEMENT is subject to 49 CFR Part 26 entitled "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs". CONTRACTORS who enter into a federally-funded agreement will assist the COUNTY in a good faith effort to achieve California's statewide overall DBE goal.

B. The goal for DBE participation for this AGREEMENT is ___0___%. Participation by DBE contractor or subcontractors shall be in accordance with information contained in Exhibit 10-02: Consultant Contract DBE Commitment attached hereto and incorporated as part of the AGREEMENT. If a DBE subcontractor is unable to perform, CONTRACTOR must make a good faith effort to replace him/her with another DBE subcontractor, if the goal is not otherwise met.

C. CONTRACTOR can meet the DBE participation goal by either documenting commitments to DBEs to meet the AGREEMENT goal, or by documenting adequate good faith efforts to meet the AGREEMENT goal. An adequate good faith effort means that the CONTRACTOR must show that it took all necessary and reasonable steps to achieve a DBE goal that, by their scope, intensity, and appropriateness to the objective, could reasonably be expected to meet the DBE goal. If CONTRACTOR has not met the DBE goal, complete and submit Exhibit 15-H: DBE Information – Good Faith Efforts to document efforts to meet the goal. Refer to 49 CFR Part 26 for guidance regarding evaluation of good faith efforts to meet the DBE goal.

D. Contract Assurance
Under 49 CFR 26.13(b)
CONTRACTOR, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this AGREEMENT. CONTRACTOR shall carry out applicable requirements of 49 CFR 26 in the award and administration of federal-aid contracts.
Failure by the CONTRACTOR to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

(1) Withholding monthly progress payments;
(2) Assessing sanctions;
(3) Liquidated damages; and/or
(4) Disqualifying the CONTRACTOR from future proposing as non-responsible

E. Termination and Replacement of DBE Subcontractors
CONTRACTOR shall utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless CONTRACTOR or DBE Subcontractor obtains the COUNTY's written consent. CONTRACTOR shall not terminate or replace a listed DBE for convenience and perform the work with their own forces or obtain materials from other sources without authorization from the COUNTY. Unless the COUNTY's consent is provided, the CONTRACTOR shall not be entitled to any payment for work or

material unless it is performed or supplied by the listed DBE on the Exhibit 10-02: Consultant Contract DBE Commitment form.

Termination of DBE Subconsultants

After execution of the AGREEMENT, termination of a DBE may be allowed for the following, but not limited to, justifiable reasons with prior written authorization from the COUNTY:

1. Listed DBE fails or refuses to execute a written contract based on plans and specifications for the project.
2. The COUNTY stipulated that a bond is a condition of executing the subcontract and the listed DBE fails to meet the COUNTY's bond requirements.
3. Work requires a contractor's license and listed DBE does not have a valid license under Contractors License Law.
4. Listed DBE fails or refuses to perform the work or furnish the listed materials (failing or refusing to perform is not an allowable reason to remove a DBE if the failure or refusal is a result of bad faith or discrimination).
5. Listed DBE's work is unsatisfactory and not in compliance with the contract.
6. Listed DBE is ineligible to work on the project because of suspension or debarment.
7. Listed DBE becomes bankrupt or insolvent or exhibits credit unworthiness.
8. Listed DBE voluntarily withdraws with written notice from the AGREEMENT.
9. Listed DBE is ineligible to receive credit for the type of work required.
10. Listed DBE owner dies or becomes disabled resulting in the inability to perform the work on the AGREEMENT.
11. The COUNTY determines other documented good cause.

CONTRACTOR must use the following procedures to request the termination of a DBE or portion of a DBE's work:

1. Send a written notice to the DBE of the CONTRACTOR's intent to use other forces or material sources and include one or more justifiable reasons listed above. Simultaneously send a copy of this written notice to the COUNTY. The written notice to the DBE must request they provide any response within five (5) business days to both the CONTRACTOR and the COUNTY by either acknowledging their agreement or documenting their reasoning as to why the use of other forces or sources of materials should not occur.
2. If the DBE does not respond within five (5) business days, CONTRACTOR may move forward with the request as if the DBE had agreed to CONTRACTOR's written notice.
3. Submit CONTRACTOR's DBE termination request by written letter to the COUNTY and include:
    - One or more above listed justifiable reasons along with supporting documentation.
    - CONTRACTOR's written notice to the DBE regarding the request, including proof of transmission and tracking documentation of CONTRACTOR's written notice.
    - The DBE's response to CONTRACTOR's written notice, if received. If a written response was not provided, provide a statement to that effect.

The COUNTY shall respond in writing to CONTRACTOR's DBE termination request within five (5) business days.

Replacement of DBE Subcontractors

After receiving the COUNTY'S written authorization of DBE termination request, CONTRACTOR must obtain the COUNTY'S written agreement for DBE replacement. CONTRACTOR must find or demonstrate GFEs to find qualified DBE replacement firms to perform the work to the extent needed to meet the DBE commitment.

The following procedures shall be followed to request authorization to replace a DBE firm:

1. Submit a request to replace a DBE with other forces or material sources in writing to the COUNTY which must include:

    a. Description of remaining uncommitted work item made available for replacement DBE solicitation and participation.
    b. The proposed DBE replacement firm's business information, the work they have agreed to perform, and the following:
        - Description of scope of work and cost proposal
        - Proposed subcontract agreement and written confirmation of agreement to perform on the Contract
        - Revised Exhibit 10-O2: Consultant Contract DBE Commitment

2. If CONTRACTOR has not identified a DBE replacement firm, submits documentation of CONTRACTOR's GFEs to use DBE replacement firms within seven (7) days of COUNTY's authorization to terminate the DBE. CONTRACTOR may request the COUNTY's approval to extend this submittal period to a total of 14 days. Submit documentation of actions taken to find a DBE replacement firm, such as:

    - Search results of certified DBEs available to perform the original DBE work identified and or other work CONTRACTOR had intended to self-perform, to the extent needed to meet DBE commitment
    - Solicitations of DBEs for performance of work identified
    - Correspondence with interested DBEs that may have included contract details and requirements
    - Negotiation efforts with DBEs that reflect why an agreement was not reached
    - If a DBE's quote was rejected, provide reasoning for the rejection, such as why the DBE was unqualified for the work, or why the price quote was unreasonable or excessive
    - Copies of each DBE's and non-DBE's price quotes for work identified, as the COUNTY may contact the firms to verify solicitation efforts and determine if the DBE quotes are substantially higher
    - Additional documentation that supports CONTRACTOR's GFE

The COUNTY shall respond in writing to CONTRACTOR's DBE replacement request within five (5) business days.

F. Commitment and Utilization

The COUNTY's DBE program must include a monitoring and enforcement mechanism to ensure that DBE commitments reconcile to DBE utilization. The COUNTY shall request CONTRACTOR to:

1. Notify the COUNTY's Contract Administrator or designated representative of any changes to its anticipated DBE participation

2. Provide this notification before starting the affected work

3. Maintain records including:

    - Name and business address of each First-Tier subcontractor

- Name and business address of each DBE subcontractor, DBE vendor, and DBE trucking company, regardless of tier
- Date of payment and total amount paid to each business (see Exhibit 9-F *Monthly Disadvantaged Business Enterprise Payment*)

If CONTRACTOR is a DBE CONTRACTOR, they shall include the date of work performed by their own forces and the corresponding value of the work.

If a DBE is decertified before completing its work, the DBE must notify CONTRACTOR in writing of the decertification date. If a business becomes a certified DBE before completing its work, the business must notify CONTRACTOR in writing of the certification date. CONTRACTOR shall submit the notifications to the COUNTY. On work completion, CONTRACTOR shall complete a Disadvantaged Business Enterprises (DBE) Certification Status Change, Exhibit 17-O, form and submit the form to the COUNTY within thirty (30) days of contract acceptance.

Upon work completion, CONTRACTOR shall complete Exhibit 17-F Final Report – Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors and submit it to the COUNTY within ninety (90) days of AGREEMENT acceptance. The COUNTY will withhold ten thousand dollars ($10,000) until the form is submitted. The COUNTY will release the withhold upon submission of the completed form.

In the COUNTY's reports of DBE participation to Caltrans, the COUNTY must display both commitments and attainments.

G. COMMERCIALLY USEFUL FUNCTION

DBEs must perform a commercially useful function (CUF) under 49 CFR 26.55 when performing work or supplying materials listed on the DBE Commitment form. The DBE value of work will only count toward the DBE commitment if the DBE performs a CUF. A DBE performs a CUF when it is responsible for execution of the work of the AGREEMENT and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To perform a CUF, the DBE must also be responsible, with respect to materials and supplies used on the AGREEMENT, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable), and paying for the material itself.

CONTRACTOR must perform CUF evaluation for each DBE working on a federal-aid contract, with or without a DBE goal. Perform a CUF evaluation at the beginning of the DBE's work and continue to monitor the performance of CUF for the duration of the project.

CONTRACTOR must provide written notification to the COUNTY at least 15 days in advance of each DBE's initial performance of work or supplying materials for the AGREEMENT. The notification must include the DBE's name, work the DBE will perform on the contract, and the location, date, and time of where their work will take place.

Within 10 days of a DBE initially performing work or supplying materials on the AGREEMENT, CONTRACTOR shall submit to the LPA the initial evaluation and validation of DBE performance of a CUF using the LAPM 9-J: Disadvantaged Business Enterprise Commercially Useful Function Evaluation. Include the following information with the submittal:

- Subcontract agreement with the DBE
- Purchase orders

- Bills of lading
- Invoices
- Proof of payment

CONTRACTOR must monitor all DBE's performance of CUF by conducting quarterly evaluations and validations throughout their duration of work on the AGREEMENT t using the LAPM 9-J: DBE Commercially Useful Function Evaluation. CONTRACTOR must submit to the COUNTY these quarterly evaluations and validations by the 5th of the month for the previous three months of work.

CONTRACTOR must notify the COUNTY immediately if they believe the DBE may not be performing a CUF.

The COUNTY will verify DBEs performance of CUF by reviewing the initial and quarterly submissions of LAPM 9-J: DBE Commercially Useful Function Evaluation, submitted supporting information, field observations, and through any additional COUNTY evaluations. The COUNTY must evaluate DBEs and their CUF performance throughout the duration of the AGREEMENT. The COUNTY will provide written notice to the CONTRACTOR and the DBE at least two (2) business days prior to any evaluation. The CONTRACTOR and the DBE must participate in the evaluation. Upon completing the evaluation, the COUNTY must share the evaluation results with the CONTRACTOR and the DBE. An evaluation could include items that must be remedied upon receipt. If the COUNTY determines the DBE is not performing a CUF, the CONTRACTOR must suspend performance of the noncompliant work.

CONTRACTOR and DBEs must submit any additional CUF related records and documents within five (5) business days of COUNTY's request such as:

- Proof of ownership or lease and rental agreements for equipment
- Tax records
- Employee rosters
- Certified payroll records
- Inventory rosters

Failure to submit required DBE Commercially Useful Function Evaluation forms or requested records and documents can result in withholding of payment for the value of work completed by the DBE.

If CONTRACTOR and/or the COUNTY determine that a listed DBE is not performing a CUF in performance of their DBE committed work, CONTRACTOR must immediately suspend performance of the noncompliant portion of the work. COUNTY may deny payment for the noncompliant portion of the work. COUNTY will ask the CONTRACTOR to submit a Corrective Action Plan (CAP) to the COUNTY within five (5) days of the noncompliant CUF determination. The CAP must identify how the CONTRACTOR will correct the noncompliance findings for the remaining portion of the DBE's work. COUNTY has five (5) days to review the CAP in conjunction with the CONTRACTOR's review. The CONTRACTOR must implement the CAP within five (5) days of the COUNTY's approval. The COUNTY will then authorize the prior noncompliant portion of work for the DBE's committed work.

If corrective actions cannot be accomplished to ensure the DBE performs a commercially useful function on the AGREEMENT, CONTRACTOR may have good cause to request termination of the DBE.

H. A DBE does not perform a CUF if its role is limited to that of an extra participant in a transaction, AGREEMENT, or project through which funds are passed in order to obtain the appearance of DBE participation. In determining whether a DBE is such an extra participant, examine similar transactions, particularly those in which DBEs do not participate.

I. If a DBE does not perform or exercise responsibility for at least thirty percent (30%) of the total cost of its AGREEMENT with its own work force, or the DBE subcontracts a greater portion of the work of the AGREEMENT than would be expected on the basis of normal industry practice for the type of work involved, it will be presumed that it is not performing a CUF.

J. CONTRACTOR shall maintain records of materials purchased or supplied from all subcontracts entered into with certified DBEs. The records shall show the name and business address of each DBE or vendor and the total dollar amount actually paid each DBE or vendor, regardless of tier. The records shall show the date of payment and the total dollar figure paid to all firms. DBE contractors shall also show the date of work performed by their own forces along with the corresponding dollar value of the work.

K. If a DBE subcontractor is decertified during the life of the AGREEMENT, the decertified subcontractor shall notify CONTRACTOR in writing with the date of decertification. If a subcontractor becomes a certified DBE during the life of the AGREEMENT, the subcontractor shall notify CONTRACTOR in writing with the date of certification. Any changes should be reported to COUNTY's Contract Administrator within thirty (30) calendar days.

L. For projects awarded on or after March 1, 2020, but before September 1, 2023: after submitting an invoice for reimbursement that includes a payment to a DBE, but no later than the 10th of the following month, the prime contractor/consultant must complete and email Exhibit 9-F: Disadvantaged Business Enterprise Running Tally of Payments to business.support.unit@dot.ca.gov with a copy to local administering agencies.

For projects awarded on or after September 1, 2023: Exhibit 9-F is no longer required. Instead, by the 15th of the month following the month of any payment(s), the CONTRACTOR must now submit Exhibit 9-P to the COUNTY administering the contract. If the CONTRACTOR does not make any payments to subcontractors, supplier(s), and/or manufacturers they must report "no payments were made to subs this month" and write this visibly and legibly on Exhibit 9-P.

M. Any subcontract entered into as a result of this AGREEMENT shall contain all of the provisions of this section.

Article XIX Insurance

(Choose either Option 1 or Option 2)

☐ (Option 1 – For AGREEMENT with a scope of services that may require the CONTRACTOR or subcontractor to work within the operating state or County Highway Right of Way; where there would be exposure to public traffic or construction operations.)

A. Prior to commencement of the work described herein, CONTRACTOR shall furnish COUNTY a Certificate of Insurance stating that there is general comprehensive liability insurance presently in effect for CONTRACTOR with a combined single limit (CSL) of not less than one million dollars ($1,000,000) per occurrence.

B. The Certificate of Insurance will provide:

1. That the insurer will not cancel the insured's coverage without thirty (30) calendar days prior

written notice to COUNTY.

2. That COUNTY, its officers, agents, employees, and servants are included as additional insureds, but only insofar as the operations under this AGREEMENT are concerned.

3. That COUNTY will not be responsible for any premiums or assessments on the policy.

C. CONTRACTOR agrees that the bodily injury liability insurance herein provided for, shall be in effect at all times during the term of this AGREEMENT. In the event said insurance coverage expires at any time or times during the term of this AGREEMENT, CONTRACTOR agrees to provide at least thirty (30) calendar days prior notice to said expiration date; and a new Certificate of Insurance evidencing insurance coverage as provided for herein, for not less than either the remainder of the term of the AGREEMENT, or for a period of not less than one (1) year. New Certificates of Insurance are subject to the approval of COUNTY. In the event CONTRACTOR fails to keep in effect at all times insurance coverage as herein provided, COUNTY may, in addition to any other remedies it may have, terminate this AGREEMENT upon occurrence of such event.

☐ (Option 2 – For AGREEMENTS with a scope of services that will not require the Contractor or subcontractor to work within the operating State or County Highway Right of Way where there would be exposure to public traffic or construction Contractor operations.)

CONTRACTOR is not required to show evidence of general comprehensive liability insurance.

Article XX Funding Requirements

A. It is mutually understood between the parties that this AGREEMENT may have been written before ascertaining the availability of funds or appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays that would occur if the AGREEMENTs were executed after that determination was made.

B. This AGREEMENT is valid and enforceable only if sufficient funds are made available to COUNTY for the purpose of this AGREEMENT. In addition, this AGREEMENT is subject to any additional restrictions, limitations, conditions, or any statute enacted by the Congress, State Legislature, or COUNTY governing board that may affect the provisions, terms, or funding of this AGREEMENT in any manner.

C. It is mutually agreed that if sufficient funds are not appropriated, this AGREEMENT may be amended to reflect any reduction in funds.

D. COUNTY has the option to terminate the AGREEMENT pursuant to Article VI Termination, or by mutual agreement to amend the AGREEMENT to reflect any reduction of funds.

Article XXI Change in Terms

A. This AGREEMENT may be amended or modified only by mutual written agreement of the parties.

B. CONTRACTOR shall only commence work covered by an amendment after the amendment is executed and notification to proceed has been provided by COUNTY's Contract Administrator.

C. There shall be no change in CONTRACTOR's Project Manager or members of the project team, as listed in the approved Cost Proposal, which is a part of this AGREEMENT without prior written approval by COUNTY's Contract Administrator.

Article XXI Contingent Fee

CONTRACTOR warrants, by execution of this AGREEMENT that no person or selling agency has been employed, or retained, to solicit or secure this AGREEMENT upon an agreement or understanding, for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees, or bona fide established commercial or selling agencies maintained by CONTRACTOR for the purpose of securing business. For breach or violation of this warranty, COUNTY has the right to annul this AGREEMENT without liability; pay only for the value of the work actually performed, or in its discretion to deduct from the AGREEMENT price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

Article XXII Disputes

Prior to either party commencing any legal action under this AGREEMENT, the parties agree to try in good faith, to settle any dispute amicably between them. If a dispute has not been settled after forty-five (45) days of good-faith negotiations and as may be otherwise provided herein, then either party may commence legal action against the other.

(Choose either Option 1 or Option 2)

☐ (Option 1- Use paragraphs A through C below for all AGREEMENTs without PS&E submittal)

A. Any dispute, other than audit, concerning a question of fact arising under this AGREEMENT that is not disposed of by agreement shall be decided by a committee consisting of COUNTY's Contract Administrator and _____, who may consider written or verbal information submitted by CONTRACTOR.

B. Not later than thirty (30) calendar days after completion of all work under the contract, CONTRACTOR may request review by COUNTY Governing Board of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.

C. Neither the pendency of a dispute, nor its consideration by the committee will excuse CONTRACTOR from full and timely performance in accordance with the terms of this AGREEMENT.

☒ (Option 2 – Replace Paragraph B, above, with the following for AGREEMENTS requiring the submission of PS&E)

B. Not later than thirty (30) calendar days after completion of all deliverables necessary to complete the plans, specifications and estimate, CONTRACTOR may request review by COUNTY Governing Board of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.

Article XXIV Inspection of Work

CONTRACTOR and any subcontractor shall permit COUNTY, the state, and the FHWA if federal participating funds are used in this AGREEMENT; to review and inspect the project activities and files at all reasonable times during the performance period of this AGREEMENT.

Article XXV Safety

A. CONTRACTOR shall comply with OSHA regulations applicable to CONTRACTOR regarding necessary safety equipment or procedures. CONTRACTOR shall comply with safety instructions issued by COUNTY Safety Officer and other COUNTY representatives. CONTRACTOR personnel shall wear hard hats and safety vests at all times while working on the construction project site.

B. Pursuant to the authority contained in Vehicle Code §591, COUNTY has determined that such areas are within the limits of the project and are open to public traffic. CONTRACTOR shall comply with all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code. CONTRACTOR shall take all reasonably necessary precautions for safe operation of its vehicles and the protection of the traveling public from injury and damage from such vehicles.

C. Any subcontract entered into as a result of this contract, shall contain all of the provisions of this Article.

(Add the following paragraph to all AGREEMENTS which may require trenching of five (5) feet or deeper)

D. CONSULTANT must have a Division of Occupational Safety and Health (CAL-OSHA) permit(s), as outlined in Labor Code §6500 and §6705, prior to the initiation of any practices, work, method, operation, or process related to the construction or excavation of trenches which are five (5) feet or deeper.

Article XXVI Ownership of Data

A. It is mutually agreed that all materials prepared by CONTRACTOR under this AGREEMENT shall become the property of COUNTY, and CONTRACTOR shall have no property right therein whatsoever. Immediately upon termination, COUNTY shall be entitled to, and CONTRACTOR shall deliver to COUNTY, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not, and other such materials as may have been prepared or accumulated to date by CONTRACTOR in performing this AGREEMENT which is not CONTRACTOR's privileged information, as defined by law, or CONTRACTOR's personnel information, along with all other property belonging exclusively to COUNTY which is in CONTRACTOR's possession. Publication of the information derived from work performed or data obtained in connection with services rendered under this AGREEMENT must be approved in writing by COUNTY.

B. Additionally, it is agreed that the Parties intend this to be an AGREEMENT for services and each considers the products and results of the services to be rendered by CONTRACTOR hereunder to be work made for hire. CONTRACTOR acknowledges and agrees that the work (and all rights therein, including, without limitation, copyright) belongs to and shall be the sole and exclusive property of COUNTY without restriction or limitation upon its use or dissemination by COUNTY.

C. Nothing herein shall constitute or be construed to be any representation by CONTRACTOR that the work product is suitable in any way for any other project except the one detailed in this AGREEMENT. Any reuse by COUNTY for another project or project location shall be at COUNTY's sole risk.

D. Applicable patent rights provisions regarding rights to inventions shall be included in the contracts as appropriate (48 CFR 27 Subpart 27.3 -Patent Rights under Government Contracts for federal-aid contracts).

E. COUNTY may permit copyrighting reports or other agreement products. If copyrights are permitted; the AGREEMENT shall provide that the FHWA shall have the royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use; and to authorize others to use, the work for government purposes.

Article XXVII Claims Filed by County's Construction Contractor

A. If claims are filed by COUNTY's construction contractor relating to work performed by CONTRACTOR's personnel, and additional information or assistance from CONTRACTOR's personnel is required in order to evaluate or defend against such claims; CONTRACTOR agrees to make its personnel available for consultation with COUNTY'S construction contract administration and legal staff and for testimony, if necessary, at depositions and at trial or arbitration proceedings.

B. CONTRACTOR's personnel that COUNTY considers essential to assist in defending against construction contractor claims will be made available on reasonable notice from COUNTY. Consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for CONTRACTOR's personnel services under this AGREEMENT.

C. Services of CONTRACTOR's personnel in connection with COUNTY's construction contractor claims will be performed pursuant to a written contract amendment, if necessary, extending the termination date of this AGREEMENT in order to resolve the construction claims.

Article XXVIII Confidentiality of Data

A. All financial, statistical, personal, technical, or other data and information relative to COUNTY's operations, which are designated confidential by COUNTY and made available to CONTRACTOR in order to carry out this AGREEMENT, shall be protected by CONTRACTOR from unauthorized use and disclosure.

B. Permission to disclose information on one occasion, or public hearing held by COUNTY relating to the AGREEMENT, shall not authorize CONTRACTOR to further disclose such information, or disseminate the same on any other occasion.

C. CONTRACTOR shall not comment publicly to the press or any other media regarding the contract or COUNTY's actions on the same, except to COUNTY's staff, CONTRACTOR's own personnel involved in the performance of this AGREEMENT, at public hearings or in response to questions from a Legislative committee.

D. CONTRACTOR shall not issue any news release or public relations item of any nature, whatsoever, regarding work performed or to be performed under this contract without prior review of the contents thereof by COUNTY, and receipt of COUNTY's written permission.

E. Any subagreement entered into as a result of this AGREEMENT shall contain all of the provisions of this Article.

(For PS&E contracts, add paragraph F below, to paragraphs A through E above)

F. All information related to the construction estimate is confidential, and shall not be disclosed by CONTRACTOR to any entity other than COUNTY, Caltrans, and/or FHWA. All of the materials prepared or assembled by CONTRACTOR pursuant to performance of this AGREEMENT are confidential and

CONTRACTOR agrees that they shall not be made available to any individual or organization without the prior written approval of COUNTY or except by court order. If CONTRACTOR or any of its officers, employees, or subcontractors does voluntarily provide information in violation of this AGREEMENT, COUNTY has the right to reimbursement and indemnity from CONTRACTOR for any damages caused by CONTRACTOR releasing the information, including, but not limited to, COUNTY's attorney's fees and disbursements, including without limitation experts' fees and disbursements.

Article XXIX National Labor Relations Board Certification

In accordance with Public Contract Code Section 10296, CONTRACTOR hereby states under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against CONTRACTOR within the immediately preceding two (2)-year period, because of CONTRACTOR's failure to comply with an order of a federal court that orders CONTRACTOR to comply with an order of the National Labor Relations Board.

Article XXX Evaluation of Contractor

CONTRACTOR's performance will be evaluated by COUNTY. A copy of the evaluation will be sent to CONTRACTOR for comments. The evaluation together with the comments shall be retained as part of the AGREEMENT record.

Article XXXI Prompt Payment

A. PROMPT PAYMENT FROM LOCAL AGENCY TO CONTRACTOR

The COUNTY shall make all project progress payments within 30 days after receipt of an undisputed and properly submitted payment request from CONTRACTOR. If COUNTY fails to pay promptly, the COUNTY shall pay interest to the CONTRACTOR, which accrues at the rate of 10 percent per annum on the principal amount of a money judgment remaining unsatisfied and pro-rated as necessary. Upon receipt of the payment request, the COUNTY shall act in accordance with both of the following:

(1) The COUNTY shall review each payment request as soon as feasible after receipt to verify it is a proper payment request.

(2) The COUNTY must return any payment request deemed improper by the COUNTY to the CONTRACTOR as soon as feasible, but not later than seven (7) days, after receipt. A request returned pursuant to this paragraph shall include documentation setting forth in writing the reasons why it is an improper payment request.

B. PROMPT PAYMENT CERTIFICATION

For projects awarded on or after September 1, 2023: the CONTRACTOR must now submit Exhibit 9-P to the COUNTY administering the AGREEMENT by the 15th of the month following the month of any payment(s). If the CONTRACTOR does not make any payments to subconsultants, supplier(s), and/or manufacturers they must report "no payments were made to subs this month" and write this visibly and legibly on Exhibit 9-P.

The COUNTY must verify all Exhibit 9-P information, monitor compliance with prompt payment requirements for DBE and non-DBE firms, and address any shortfalls to the DBE commitment and prompt payment issues until the end of the project. The COUNTY must email a copy of Exhibit 9-P to DBE.Forms@dot.ca.gov before the end of the month after receiving the Exhibit 9-P from the CONTRACTOR

ARTICLE XXXII TITLE VI ASSURANCES

APPENDICES A-E of the TITLE VI ASSURANCES

The U.S. Department of Transportation Order No.1050.2A requires all federal-aid Department of Transportation contracts between an agency and a consultant to contain Appendices A and E of the Title VI Assurances. Include Appendices B, C, and D if appliable as shown below. In addition, the consultant must

include the Title VI Assurances Appendices A and E, and if applicable Appendices B, C, and D in all subcontracts to perform work under the AGREEMENT.

The clauses of Appendix B of this Assurance shall be included as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to COUNTY.

The clauses set forth in Appendix C and Appendix D of this Assurance shall be included as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the COUNTY with other parties:

a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and

b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.]

APPENDIX A

During the performance of this Agreement, the CONTRACTOR, for itself, its assignees and successors in interest (hereinafter collectively referred to as CONSULTANT) agrees as follows:

a. Compliance with Regulations: CONTRACTOR shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the REGULATIONS), which are herein incorporated by reference and made a part of this agreement.

b. Nondiscrimination: CONTRACTOR, with regard to the work performed by it during the AGREEMENT, shall not discriminate on the grounds of race, color, sex, national origin, religion, age, or disability in the selection and retention of sub-applicants, including procurements of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the agreement covers a program set forth in Appendix B of the Regulations.

c. Solicitations for Sub-agreements, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by CONTRACTOR for work to be performed under a Sub-agreement, including procurements of materials or leases of equipment, each potential sub-applicant or supplier shall be notified by CONTRACTOR of the CONTRACTOR's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

d. Information and Reports: CONTRACTOR shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the recipient or FHWA to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to the recipient or FHWA as appropriate, and shall set forth what efforts CONTRACTOR has made to obtain the information.

e. Sanctions for Noncompliance: In the event of CONTRACTOR's noncompliance with the nondiscrimination provisions of this agreement, the recipient shall impose such agreement sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

   i. withholding of payments to CONTRACTOR under the Agreement within a reasonable period of time, not to exceed 90 days; and/or

   ii. cancellation, termination or suspension of the Agreement, in whole or in part.

f. Incorporation of Provisions: CONTRACTOR shall include the provisions of paragraphs (1) through (6) in every sub-agreement, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.

CONTRACTOR shall take such action with respect to any sub-agreement or procurement as the recipient or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that, in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a sub-applicant or supplier as a result of such direction, CONTRACTOR may request the recipient enter into such litigation to protect the interests of the State, and, in addition, CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

APPENDIX B
CLAUSES FOR DEEDS TRANSFERRING UNITED STATES PROPERTY

The following clauses will be included in deeds effecting or recording the transfer of real property, structures, or improvements thereon, or granting interest therein from the United States pursuant to the provisions of Assurance 4:

NOW THEREFORE, the U.S. Department of Transportation as authorized by law and upon the condition that the recipient will accept title to the lands and maintain the project constructed thereon in accordance with Title 23 U.S.C., the regulations for the administration of the preceding statute, and the policies and procedures prescribed by the FHWA of the U.S. Department of Transportation in accordance and in compliance with all requirements imposed by Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. § 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the recipient all the right, title and interest of the U.S. Department of Transportation in and to said lands described in Exhibit A attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto the recipient and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and will be binding on the recipient, its successors and assigns. The recipient, in consideration of the conveyance of said lands and interest in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person will on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed [,] [and]* (2) that the recipient will use the lands and interests in lands and interest in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal

Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations and Acts may be amended [, and (3) that in the event of breach of any of the above-mentioned non-discrimination conditions, the Department will have a right to enter or re-enter said lands and facilities on said lands, and that above described land and facilities will thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this instruction].*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to make clear the purpose of Title VI.)

APPENDIX C

CLAUSES FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE ACTIVITY, FACILITY, OR PROGRAM

The following clauses will be included in deeds, licenses, leases, permits, or similar instruments entered into by the recipient pursuant to the provisions of Assurance 7(a):

A. The (grantee, lessee, permittee, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that:

    1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations(as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Nondiscrimination covenants, the recipient will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued.*

C. With respect to a deed, in the event of breach of any of the above Non-discrimination covenants, the recipient will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the recipient and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX D

CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THEACTIVITY, FACILITY OR PROGRAM

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by the recipient pursuant to the provisions of Assurance 7(b):

A. The (grantee, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest ,and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, "as a covenant running with the land") that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishings of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits or, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Acts and Regulations, as amended, set forth in this Assurance.

B. With respect to (licenses, leases, permits, etc.) in the event of breach of any of the above of the above Non-discrimination covenants, the recipient will have the right to terminate the (license, permits, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.*

C. With respect to deeds, in the event of breach of any of the above Non-discrimination covenants, the recipient will there upon revert to and vest in and become the absolute property of the recipient and its assigns.

APPENDIX E

During the performance of this AGREEMENT, the CONSULTANT, for itself, its assignees, and successors in interest (hereinafter referred to as the "CONSULTANT") agrees to comply with the following nondiscrimination statutes and authorities, including, but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42
- U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), prohibits discrimination on the basis of sex;
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination of the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation,

and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations 49 C.F.R. parts 37 and 38;

- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of Limited English Proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C.1681 et seq).

ARTICLE XXXIII NOTIFICATION

All notices hereunder and communications regarding interpretation of the terms of this AGREEMENT and changes thereto, shall be effected by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

CONTRACTOR:_____
_____
_____
_____

COUNTY: _____
_____
_____
_____

ARTICLE XXXIII AGREEMENT

The two (2) parties to this AGREEMENT, who are the before named CONTRACTOR and the COUNTY, hereby agree that this AGREEMENT constitutes the entire AGREEMENT which is made and concluded in duplicate between the two (2) parties. Both of these parties for and in consideration of the payments to be made, conditions mentioned, and work to be performed; each agree to diligently perform in accordance with the terms and conditions of this AGREEMENT as evidenced by the signatures below.

ARTICLE XXXIV SIGNATURES

_____ _____
(Name of Signer) (Name of Signer)

_____ _____

Date Date

CALTRANS LOCAL ASSISTANCE PROCEDURES MANUAL FORMS

The following forms can be viewed and downloaded in fillable format at: https://dot.ca.gov/programs/local-assistance/forms/local-assistance-procedures-manual-forms

EXHIBIT 10-H1 COST PROPOSAL Page 1 of 3

COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)

Note: Mark-ups are Not Allowed ☐ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Consultant _____

Project No. _____ Contract No. _____ Date _____

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
(Project Manager)*	_____	_____	$ _____	$ _____
(Sr. Civil Engineer)	_____	_____	$ _____	$ _____
(Envir. Scientist)	_____	_____	$ _____	$ _____
(Inspector)**	_____	_____	$ _____	$ _____

LABOR COSTS

a) Subtotal Direct Labor Costs $ _____

b) Anticipated Salary Increases (see page 2 for calculation) $ _____

c) **TOTAL DIRECT LABOR COSTS** [(a) + (b)] **$ _____**

INDIRECT COSTS

d) Fringe Benefits (Rate: _____%) e) Total Fringe Benefits [(c) x (d)] $ _____

f) Overhead (Rate: _____%) g) Overhead [(c) x (f)] $ _____

h) General and Administrative (Rate: _____%) i) Gen & Admin [(c) x (h)] $ _____

j) **TOTAL INDIRECT COSTS** [(e) + (g) + (i)] **$ _____**

FIXED FEE k) **TOTAL FIXED FEE** [(c) + (j)] x fixed fee _____%] **$ _____**

l) **CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE (Add additional pages if necessary)**

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage Costs			$	$
Equipment Rental and Supplies			$	$
Permit Fees			$	$
Plan Sheets			$	$
Test			$	$

l) **TOTAL OTHER DIRECT COSTS** $ _____

m) **SUBCONSULTANTS' COSTS (Add additional pages if necessary)**

Subconsultant 1: $ _____

Subconsultant 2: $ _____

Subconsultant 3: $ _____

Subconsultant 4: $ _____

m) **TOTAL SUBCONSULTANTS' COSTS** $ _____

n) **TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS** [(l)+(m)] $ _____

TOTAL COST [(c) + (j) + (k) + (n)] $ _____

NOTES:

1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
3. Anticipated salary increases calculation (page 2) must accompany.

EXHIBIT 10-H1 COST PROPOSAL Page 2 of 3

COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal		Avg Hourly Rate	**5 Year Contract Duration**
$250,000.00	5000	=	$50.00	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	$50.00	+	2%	=	$51.00	Year 2 Avg Hourly Rate
Year 2	$51.00	+	2%	=	$52.02	Year 3 Avg Hourly Rate
Year 3	$52.02	+	2%	=	$53.06	Year 4 Avg Hourly Rate
Year 4	$53.06	+	2%	=	$54.12	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	20.0%	*	5000	=	1000	Estimated Hours Year 1
Year 2	40.0%	*	5000	=	2000	Estimated Hours Year 2
Year 3	15.0%	*	5000	=	750	Estimated Hours Year 3
Year 4	15.0%	*	5000	=	750	Estimated Hours Year 4
Year 5	10.0%	*	5000	=	500	Estimated Hours Year 5
Total	100%		Total	=	5000	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	$50.00	*	1000	=	$50,000.00	Estimated Hours Year 1
Year 2	$51.00	*	2000	=	$102,000.00	Estimated Hours Year 2
Year 3	$52.02	*	750	=	$39,015.00	Estimated Hours Year 3
Year 4	$53.06	*	750	=	$39,795.30	Estimated Hours Year 4
Year 5	$54.12	*	500	=	$27,060.80	Estimated Hours Year 5
	Total Direct Labor Cost with Escalation			=	$257,871.10	
	Direct Labor Subtotal before Escalation			=	$250,000.00	
	Estimated total of Direct Labor Salary Increase			=	**$7,871.10**	Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. $250,000 x 2% x 5 yrs = $25,000 is not an acceptable methodology)
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

EXHIBIT 10-H1 COST PROPOSAL Page 3 of 3

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.
Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: _____ Title *:_____

Signature : _____ Date of Certification (mm/dd/yyyy): _____

Email: _____ Phone Number: _____

Address: _____

*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

EXHIBIT 10-H2 COST PROPOSAL Page 1 of 3

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS)
(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)

Note: Mark-ups are Not Allowed

Consultant _____ ☐ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Project No. _____ Contract No. _____ Participation Amount $_____ Date _____

For Combined Rate				
	Fringe Benefit %	+ General &Administrative %	=	Combined ICR%
OR				
For Home Office Rate				
	Fringe Benefit %	+ General &Administrative %	=	Home Office ICR%
For Field Office Rate				
	Fringe Benefit %	+ General &Administrative %	=	Field Office ICR%

Fee	=	%

BILLING INFORMATION / CALCULATION INFORMATION

Name/Job Title/Classification[1]	Hourly Billing Rates[2] Straight[3]	OT(1.5x)	OT(2x)	Effective Date of Hourly Rate From	To	Actual **or** Avg. Hourly Rate[4]	% or $ Increase	Hourly Range - for Classifications Only
John Doe – Project Manager *	$0.00	$0.00	$0.00	01/01/2016	12/31/2016	$0.00		Not Applicable
Civil Engineer II	$0.00	$0.00	$0.00	01/01/2017	12/31/2017	$0.00	0.0%	
	$0.00	$0.00	$0.00	01/01/2018	12/31/2018	$0.00	0.0%	
Sue Jones – Construction	$0.00	$0.00	$0.00	01/01/2016	12/31/2016	$0.00		Not Applicable
Engineer/Inspector	$0.00	$0.00	$0.00	01/01/2017	12/31/2017	$0.00	0.0%	
Engineer I	$0.00	$0.00	$0.00	01/01/2018	12/31/2018	$0.00	0.0%	
Buddy Black – Claims Engineer	$0.00	$0.00	$0.00	01/01/2016	12/31/2016	$0.00		Not Applicable
Engineer III	$0.00	$0.00	$0.00	01/01/2017	12/31/2017	$0.00	0.0%	
	$0.00	$0.00	$0.00	01/01/2018	12/31/2018	$0.00	0.0%	
Land Surveyor **	$0.00	$0.00	$0.00	01/01/2016	12/31/2016	$0.00		$00 - $00
	$0.00	$0.00	$0.00	01/01/2017	12/31/2017	$0.00	0.0%	$00 - $00
	$0.00	$0.00	$0.00	01/01/2018	12/31/2018	$0.00	0.0%	$00 - $00
Technician	$0.00	$0.00	$0.00	01/01/2016	12/31/2016	$0.00		$00 - $00
	$0.00	$0.00	$0.00	01/01/2017	12/31/2017	$0.00	0.0%	$00 - $00
	$0.00	$0.00	$0.00	01/01/2018	12/31/2018	$0.00	0.0%	$00 - $00

(Add pages as necessary)

NOTES:
1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**).All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended.
3. Billing rate = actual hourly rate * (1+ ICR) * (1+ Fee). Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans. All costs must comply with the Federal cost principles for reimbursement.
4. For named employees and key personnel enter the actual hourly rate. For classifications only, enter the Average Hourly Rate for that classification.

EXHIBIT 10-H2 COST PROPOSAL Page 2 of 3

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS)
(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)

Consultant _____ ☐ Prime Consultant ☐ Subconsultant

Project No. _____ Contract No. _____ Date _____

SCHEDULE OF OTHER DIRECT COST ITEMS (Add additional pages as necessary)				
Description of Item	**Quantity**	**Unit**	**Unit Cost**	**Total**
Mileage Costs			$	$
Equipment Rental and Supplies			$	$
Permit Fees			$	$
Plan Sheets			$	$
Test			$	$
Vehicle			$	$
Subconsultant 1:				$
Subconsultant 2:				$
Subconsultant 3:				$
Subconsultant 4:				$
Subconsultant 5:				$

Note: Add additional pages if necessary.

NOTES:
1. List other direct cost items with estimated costs. These costs should be competitive in their respective industries and supported with appropriate documentation.
2. Proposed ODC items should be consistently billed regardless of client and contract type.
3. Items when incurred for the same purpose, in like circumstance, should not be included in any indirect cost pool or in the overhead rate.
4. Items such as special tooling, will be reimbursed at actual cost with supporting documentation (invoice).
5. Items listed above that would be considered "tools of the trade" are not reimbursable as other direct cost.
6. Travel related costs should be pre-approved by the contracting agency and shall not exceed current State Department of Personnel Administration rules.

7. If mileage is claimed, the rate should be properly supported by the consultant's calculation of their actual costs for company vehicles. In addition, the miles claimed should be supported by mileage logs.
8. If a consultant proposes rental costs for a vehicle, the company must demonstrate that this is its standard procedure for all of their contracts and that they do not own any vehicles that could be used for the same purpose.
9. The cost proposal format shall not be amended. All costs must comply with the Federal cost principles.
10. Add additional pages if necessary.
11. Subconsultants must provide their own cost proposals.

EXHIBIT 10-H2 COST PROPOSAL Page 3 of 3

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

7. Generally Accepted Accounting Principles (GAAP)
8. Terms and conditions of the contract
9. Title 23 United States Code Section 112 - Letting of Contracts
10. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
11. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
12. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Prime Consultant or Subconsultant Certifying:

Name: _____ Title *: _____

Signature : _____ Date of Certification (mm/dd/yyyy): _____

Email: _____ Phone Number: _____

Address: _____

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

January 2020

EXHIBIT 10-H3 COST PROPOSAL Page 1 of 2

COST PER UNIT OF WORK CONTRACTS
(GEOTECHNICAL AND MATERIAL TESTING)

Note: Mark-ups are Not Allowed ☐ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Consultant _____

Project No. _____ Contract No. _____ Date _____

Unit/Item of Work:
(Example: Log of Test Boring for Soils Report, or ADL Testing for Hazardous Waste Material Study)
Include as many Items as necessary.

DIRECT LABOR	Hours	Billing Hourly Rate ($)	Total ($)
Professional (Classification)*	_____	_____	_____
Sub-professional/Technical**	_____	_____	_____
EQUIPMENT 1 (with Operator)	_____	_____	_____
EQUIPMENT 2 (with Operator)	_____	_____	_____

Consultant's Other Direct Costs (ODC) – Itemize:

Description of Item	Quantity	Unit	Unit Cost	Total
ODC Example: Travel/Mileage Costs			$	$
ODC Example: Mobilization/De-mobilization			$	$
ODC Example: Supplies/Consumables			$	$
ODC Example: Report			$	$
ODC (List more ODCs as applicable)			$	$
Subconsultant 1:				$
Subconsultant 2:				$
Subconsultant 3:				$
Subconsultant 4:				$
Subconsultant 5:				$

Note: Attach additional pages if necessary.

TOTAL COST PER UNIT OF WORK **$_____**

NOTES:

1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals. The cost proposal format shall not be amended.
2. Hourly billing rates should include prevailing wage rates and be consistent with publicly advertised rates charged to all clients (Commercial, Private or Public).
3. Mobilization/De-mobilization is based on site location and number and frequency of tests/items.
4. ODC items shall be based on actual costs and supported by historical data and other documentation.
5. ODC items that would be considered "tools of the trade" are not reimbursable.
6. Billing Hourly Rates must be actual, allowable, and reasonable.

EXHIBIT 10-H3 COST PROPOSAL Page 2 of 2

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

13. Generally Accepted Accounting Principles (GAAP)
14. Terms and conditions of the contract
15. Title 23 United States Code Section 112 - Letting of Contracts
16. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
17. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
18. 48 Code of Federal Regulation Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Prime Consultant or Subconsultant Certifying:

Name: _____ Title*: _____

Signature : _____ Date of Certification (mm/dd/yyyy): _____

Email: _____ Phone Number: _____

Address: _____

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

January 2020

EXHIBIT 10-K CONSULTANT ANNUAL CERTIFICATION OF INDIRECT COSTS AND FINANCIAL MANAGEMENT SYSTEM

(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required.)

Consultant's Full Legal Name: _____

Important: Consultant means the individual or consultant providing engineering and design related services as a party of a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate(s) shall not be combined with its parent company or subsidiaries.

Indirect Cost Rate:

Combined Rate _____ % **OR**

Home Office Rate _____ % and Field Office Rate (if applicable) _____ %

Facilities Capital Cost of Money _____ % (if applicable)

Fiscal period * _____

* Fiscal period is annual one year applicable accounting period that the Indirect Cost Rate was developed (not the contract period). The Indirect Cost Rate is based on the consultant's one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an Indirect Cost Rate(s) for the **fiscal period** as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the indirect cost rate(s) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48, Code of Federal Regulations (CFR), Chapter 1, Part 31 (48 CFR Part 31);
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31;
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor, indirect costs, or other direct costs on all federally-funded A&E Consultant Contracts.
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant's ownership, organization, and indirect cost rates have been disclosed as of the date of this certification.

I am providing the required and applicable documents as instructed on Exhibit 10-A.

Financial Management System:

Our labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in Title 23 United States Code (U.S.C.) Section 112(b)(2); 48 CFR Part 31.201-2(d); 23 CFR, Chapter 1, Part 172.11(a)(2); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes:

- Account numbers identifying allowable direct, indirect, and unallowable cost accounts;
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost

accounts;

- Ability to accumulate and segregate allowable direct costs by project, contract and type of cost;
- Internal controls to maintain integrity of financial management system;
- Ability to account and record costs consistently and to ensure costs billed are in compliance with FAR;
- Ability to ensure and demonstrate costs billed reconcile to general ledgers and job costing system; and
- Ability to ensure costs are in compliance with contract terms and federal and state requirement

Cost Reimbursements on Contracts:

I also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to Federal-Aid Highway Program (FAHP) contracts may result in possible penalties and sanctions as provided by the following:

- Sanctions and Penalties - 23 CFR Part 172.11(c)(4)
- False Claims Act - Title 31 U.S.C. Sections 3729-3733
- Statements or entries generally - Title 18 U.S.C. Section 1001
- Major Fraud Act - Title 18 U.S.C. Section 1031

All A&E Contract Information:

- Total participation amount $_____ on all State and FAHP contracts for Architectural & Engineering services that the consultant received in the last three fiscal periods.
- The number of states in which the consultant does business is_____.
- Years of consultant's experience with 48 CFR Part 31 is_____.
- Audit history of the consultant's current and prior years (if applicable)
  - ☐ Cognizant ICR Audit
  - ☐ Local Gov't ICR Audit
  - ☐ Caltrans ICR Audit
  - ☐ CPA ICR Audit
  - ☐ Federal Gov't ICR Audit

I, the undersigned, certify all of the above to the best of my knowledge and belief and that I have reviewed the Indirect Cost Rate Schedule to determine that any costs which are expressly unallowable under the Federal cost principles have been removed and comply with Title 23 U.S.C. Section 112(b)(2), 48 CFR Part 31, 23 CFR Part 172, and all applicable state and federal rules and regulations. I also certify that I understand that all documentation of compliance must be retained by the consultant. I hereby acknowledge that costs that are noncompliant with the federal and state requirements are not eligible for reimbursement and must be returned to Caltrans.

Name**:_____ Title**:_____

Signature:_____ Date of Certification (mm/dd/yyyy):_____

Email**:_____ Phone Number**:_____

**An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President, a Chief Financial Officer, or equivalent, who has authority to represent the financial information used to establish the indirect cost rate.

Note: ***Both prime and subconsultants as parties of a contract must complete their own Exhibit 10-K forms. Caltrans will not process local agency's invoices until a complete Exhibit 10-K form is accepted and approved by Caltrans Audits and Investigations.***

Distribution: 1) Original - Local Agency Project File
2) Copy - Consultant
3) Copy - Caltrans Audits and Investigations

Reset Form

EXHIBIT 10-O1 CONSULTANT PROPOSAL DBE COMMITMENT

1. Local Agency: _____ 2. Contract DBE Goal: _____
3. Project Description: _____
4. Project Location: _____
5. Consultant's Name: _____ 6. Prime Certified DBE: ☐

7. Description of Work, Service, or Materials Supplied	8. DBE Certification Number	9. DBE Contact Information	10. DBE %

Local Agency to Complete this Section		
17. Local Agency Contract Number: _____ 18. Federal-Aid Project Number: _____ 19. Proposed Contract Execution Date: _____ 20. Consultant's Ranking after Evaluation: _____ Local Agency certifies that all DBE certifications are valid and information on this form is complete and accurate. _____ _____ _____ _____ _____	**11. TOTAL CLAIMED DBE PARTICIPATION**	**%**

IMPORTANT: Identify all DBE firms being claimed for credit, regardless of tier. Written confirmation of each listed DBE is required.

12. Preparer's Signature _____ 13. Date _____
14. Preparer's Name _____ 15. Phone _____
16. Preparer's Title _____

DISTRIBUTION: Original – Included with consultant's proposal to local agency.

ADA Notice: For individuals with sensory disabilities, this document is available in alternate formats. For information call (916) 654-6410 or TDD (916) 654-3880 or write Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

INSTRUCTIONS – CONSULTANT PROPOSAL DBE COMMITMENT

CONSULTANT SECTION

1. Local Agency - Enter the name of the local or regional agency that is funding the contract.
2. Contract DBE Goal - Enter the contract DBE goal percentage as it appears on the project advertisement.
3. Project Location - Enter the project location as it appears on the project advertisement.
4. Project Description - Enter the project description as it appears on the project advertisement (Bridge Rehab, Seismic Rehab, Overlay, Widening, etc.).
5. Consultant's Name - Enter the consultant's firm name.
6. Prime Certified DBE - Check box if prime contractor is a certified DBE.
7. Description of Work, Services, or Materials Supplied - Enter description of work, services, or materials to be provided. Indicate all work to be performed by DBEs including work performed by the prime consultant's own forces, if the prime is a DBE. If 100% of the item is not to be performed or furnished by the DBE, describe the exact portion to be performed or furnished by the DBE. See LAPM Chapter 9 to determine how to count the participation of DBE firms.
8. DBE Certification Number - Enter the DBE's Certification Identification Number. All DBEs must be certified on the date bids are opened.
9. DBE Contact Information - Enter the name, address, and phone number of all DBE subcontracted consultants. Also, enter the prime consultant's name and phone number, if the prime is a DBE.
10. DBE % - Percent participation of work to be performed or service provided by a DBE. Include the prime consultant if the prime is a DBE. See LAPM Chapter 9 for how to count full/partial participation.
11. Total Claimed DBE Participation % - Enter the total DBE participation claimed. If the total % claimed is less than item "Contract DBE Goal," an adequately documented Good Faith Effort (GFE) is required (see Exhibit 15-H DBE Information - Good Faith Efforts of the LAPM).
12. Preparer's Signature - The person completing the DBE commitment form on behalf of the consultant's firm must sign their name.
13. Date - Enter the date the DBE commitment form is signed by the consultant's preparer.
14. Preparer's Name - Enter the name of the person preparing and signing the consultant's DBE commitment form.
15. Phone - Enter the area code and phone number of the person signing the consultant's DBE commitment form.
16. Preparer's Title - Enter the position/title of the person signing the consultant's DBE commitment form.

LOCAL AGENCY SECTION

17. Local Agency Contract Number - Enter the Local Agency contract number or identifier.
18. Federal-Aid Project Number - Enter the Federal-Aid Project Number.
19. Proposed Contract Execution Date - Enter the proposed contract execution date.
20. Consultant's Ranking after Evaluation – Enter consultant's ranking after all submittals/consultants are evaluated. Use this as a quick comparison for evaluating most qualified consultant.
21. Local Agency Representative's Signature - The person completing this section of the form for the Local Agency must sign their name to certify that the information in this and the Consultant Section of this form is complete and accurate.
22. Date - Enter the date the DBE commitment form is signed by the Local Agency Representative.
23. Local Agency Representative's Name - Enter the name of the Local Agency Representative certifying the consultant's DBE commitment form.
24. Phone - Enter the area code and phone number of the person signing the consultant's DBE commitment form.
25. Local Agency Representative Title - Enter the position/title of the Local Agency Representative certifying the consultant's DBE commitment form.

EXHIBIT 10-O2 CONSULTANT CONTRACT DBE COMMITMENT

1. Local Agency: _____ 2. Contract DBE Goal: _____
3. Project Description: _____
4. Project Location: _____
5. Consultant's Name: _____ 6. Prime Certified DBE: ☐ 7. Total Contract Award Amount: _____
8. Total Dollar Amount for ALL Subconsultants: _____ 9. Total Number of ALL Subconsultants: _____

10. Description of Work, Service, or Materials Supplied	11. DBE Certification Number	12. DBE Contact Information	13. DBE Dollar Amount

Local Agency to Complete this Section			
20. Local Agency Contract Number: _____ 21. Federal-Aid Project Number: _____ 22. Contract Execution Date: _____		14. TOTAL CLAIMED DBE PARTICIPATION	$ %
Local Agency certifies that all DBE certifications are valid and information on this form is complete and accurate.		IMPORTANT: Identify all DBE firms being claimed for credit, regardless of tier. Written confirmation of each listed DBE is required.	
23. Local Agency Representative's Signature	24. Date	15. Preparer's Signature	16. Date
25. Local Agency Representative's Name	26. Phone	17. Preparer's Name	18. Phone
27. Local Agency Representative's Title		19. Preparer's Title	

DISTRIBUTION: 1. Original – Local Agency
2. Copy – Caltrans District Local Assistance Engineer (DLAE). Failure to submit to DLAE within 30 days of contract execution may result in de-obligation of federal funds on contract.

ADA Notice: For individuals with sensory disabilities, this document is available in alternate formats. For information call (916) 654-6410 or TDD (916) 654-3880 or write Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

INSTRUCTIONS – CONSULTANT CONTRACT DBE COMMITMENT

CONSULTANT SECTION

1. Local Agency - Enter the name of the local or regional agency that is funding the contract.
2. Contract DBE Goal - Enter the contract DBE goal percentage as it appears on the project advertisement.
3. Project Description - Enter the project description as it appears on the project advertisement (Bridge Rehab, Seismic Rehab, Overlay, Widening, etc).
4. Project Location - Enter the project location as it appears on the project advertisement.
5. Consultant's Name - Enter the consultant's firm name.
6. Prime Certified DBE - Check box if prime contractor is a certified DBE.
7. Total Contract Award Amount - Enter the total contract award dollar amount for the prime consultant.
8. Total Dollar Amount for ALL Subconsultants – Enter the total dollar amount for all subcontracted consultants. SUM = (DBEs + all Non-DBEs). Do not include the prime consultant information in this count.
9. Total number of ALL subconsultants – Enter the total number of all subcontracted consultants. SUM = (DBEs + all Non-DBEs). Do not include the prime consultant information in this count.
10. Description of Work, Services, or Materials Supplied - Enter description of work, services, or materials to be provided. Indicate all work to be performed by DBEs including work performed by the prime consultant's own forces, if the prime is a DBE. If 100% of the item is not to be performed or furnished by the DBE, describe the exact portion to be performed or furnished by the DBE. See LAPM Chapter 9 to determine how to count the participation of DBE firms.
11. DBE Certification Number - Enter the DBE's Certification Identification Number. All DBEs must be certified on the date bids are opened.
12. DBE Contact Information - Enter the name, address, and phone number of all DBE subcontracted consultants. Also, enter the prime consultant's name and phone number, if the prime is a DBE.
13. DBE Dollar Amount - Enter the subcontracted dollar amount of the work to be performed or service to be provided. Include the prime consultant if the prime is a DBE. See LAPM Chapter 9 for how to count full/partial participation.
14. Total Claimed DBE Participation - $: Enter the total dollar amounts entered in the "DBE Dollar Amount" column. %: Enter the total DBE participation claimed ("Total Participation Dollars Claimed" divided by item "Total Contract Award Amount"). If the total % claimed is less than item "Contract DBE Goal," an adequately documented Good Faith Effort (GFE) is required (see Exhibit 15-H DBE Information - Good Faith Efforts of the LAPM).
15. Preparer's Signature - The person completing the DBE commitment form on behalf of the consultant's firm must sign their name.
16. Date - Enter the date the DBE commitment form is signed by the consultant's preparer.
17. Preparer's Name - Enter the name of the person preparing and signing the consultant's DBE commitment form.
18. Phone - Enter the area code and phone number of the person signing the consultant's DBE commitment form.
19. Preparer's Title - Enter the position/title of the person signing the consultant's DBE commitment form.

LOCAL AGENCY SECTION

20. Local Agency Contract Number - Enter the Local Agency contract number or identifier.
21. Federal-Aid Project Number - Enter the Federal-Aid Project Number.
22. Contract Execution Date - Enter the date the contract was executed.
23. Local Agency Representative's Signature - The person completing this section of the form for the Local Agency must sign their name to certify that the information in this and the Consultant Section of this form is complete and accurate.
24. Date - Enter the date the DBE commitment form is signed by the Local Agency Representative.
25. Local Agency Representative's Name - Enter the name of the Local Agency Representative certifying the consultant's DBE commitment form.
26. Phone - Enter the area code and phone number of the person signing the consultant's DBE commitment form.
27. Local Agency Representative Title - Enter the position/title of the Local Agency Representative certifying the consultant's DBE commitment form.

EXHIBIT 10-Q DISCLOSURE OF LOBBYING ACTIVITIES

COMPLETE THIS FORM TO DISCLOSE LOBBYING ACTIVITIES PURSUANT TO 31 U.S.C. 1352

1. Type of Federal Action:
☐ a. contract
☐ b. grant
☐ c. cooperative agreement
☐ d. loan
☐ e. loan guarantee
☐ f. loan insurance

2. Status of Federal Action:
☐ a. bid/offer/application
☐ b. initial award
☐ c. post-award

3. Report Type:
☐ a. initial
☐ b. material change

For Material Change Only:
year ____ quarter _____
date of last report _____

4. Name and Address of Reporting Entity
☐ Prime ☐ Subawardee
Tier _____, if known

Congressional District, if known

5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:

Congressional District, if known

6. Federal Department/Agency:

7. Federal Program Name/Description:

CFDA Number, if applicable _____

8. Federal Action Number, if known:

9. Award Amount, if known:

10. Name and Address of Lobby Entity
(If individual, last name, first name, MI)

11. Individuals Performing Services
(including address if different from No. 10)
(last name, first name, MI)

(attach Continuation Sheet(s) if necessary)

12. Amount of Payment (check all that apply)
$_____ ☐ actual ☐ planned

13. Form of Payment (check all that apply):
☐ a. cash
☐ b. in-kind; specify: nature _____
Value _____

14. Type of Payment (check all that apply)
☐ a. retainer
☐ b. one-time fee
☐ c. commission
☐ d. contingent fee
☐ e deferred
☐ f. other, specify _____

15. Brief Description of Services Performed or to be performed and Date(s) of Service, including officer(s), employee(s), or member(s) contacted, for Payment Indicated in Item 12:

(attach Continuation Sheet(s) if necessary)

16. Continuation Sheet(s) attached: **Yes** ☐ **No** ☐

17. Information requested through this form is authorized by Title 31 U.S.C. Section 1352. This disclosure of lobbying reliance was placed by the tier above when his transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: _____

Print Name: _____

Title: _____

Telephone No.: _____ Date: _____

Authorized for Local Reproduction

Standard Form - LLL

Federal Use Only:

Standard Form LLL Rev. 04-28-06

Distribution: Orig- Local Agency Project Files

INSTRUCTIONS FOR COMPLETING EXHIBIT 10-Q DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipient at the initiation or receipt of covered federal action or a material change to previous filing pursuant to title 31 U.S.C. Section 1352. The filing of a form is required for such payment or agreement to make payment to lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with a covered federal action. Attach a continuation sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered federal action for which lobbying activity is or has been secured to influence, the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last, previously submitted report by this reporting entity for this covered federal action.
4. Enter the full name, address, city, state, and zip code of the reporting entity. Include Congressional District if known. Check the appropriate classification of the reporting entity that designates if it is or expects to be a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to: subcontracts, subgrants, and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee" then enter the full name, address, city, state, and zip code of the prime federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organization level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the federal program name or description for the covered federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identification in item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant. or loan award number, the application/proposal control number assigned by the federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered federal action where there has been an award or loan commitment by the Federal agency, enter the federal amount of the award/loan commitments for the prime entity identified in item 4 or 5.
10. Enter the full name, address, city, state, and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered federal action.
11. Enter the full names of the individual(s) performing services and include full address if different from 10 (a). Enter Last Name, First Name and Middle Initial (MI).
12. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
13. Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
14. Check all boxes that apply. If other, specify nature.
15. Provide a specific and detailed description of the services that the lobbyist has performed or will be expected to perform and the date(s) of any services rendered. Include all preparatory and related activity not just time spent in actual contact with federal officials. Identify the federal officer(s) or employee(s) contacted or the officer(s) employee(s) or Member(s) of Congress that were contacted.
16. Check whether or not a continuation sheet(s) is attached.
17. The certifying official shall sign and date the form, and print his/her name title and telephone number.

Public reporting burden for this collection of information is estimated to average 30-minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503. SF-LLL-Instructions Rev. 06-04

EXHIBIT 15-H: PROPOSER/CONTRACTOR GOOD FAITH EFFORTS

Cost Proposal Due Date _____ PE/CE
Federal-aid Project No(s). _____ Bid Opening Date _____ CON

The _____(Agency Name)_____established a Disadvantaged Business Enterprise (DBE) goal of _____% for this contract. The information provided herein shows the required good faith efforts to meet or exceed the DBE contract goal.

Proposers or bidders submit the following information to document their good faith efforts within five (5) calendar days from cost proposal due date or bid opening. Proposers and bidders are recommended to submit the following information even if the Exhibit 10-O1: Consultant Proposal DBE Commitments or Exhibit 15-G: Construction Contract DBE Commitment indicate that the proposer or bidder has met the DBE goal. This form protects the proposer's or bidder's eligibility for award of the contract if the administering agency determines that the bidder failed to meet the goal for various reasons, e.g., a DBE firm was not certified at bid opening, or the bidder made a mathematical error.

The following items are listed in the Section entitled "Submission of DBE Commitment" of the Special Provisions, **please attach additional sheets as needed**:

A. The names and dates of each publication in which a request for DBE participation for this project was placed by the bidder (please attach copies of advertisements or proofs of publication):

Publications	Dates of Advertisement

B. The names and dates of written notices sent to certified DBEs soliciting bids for this project and the dates and methods used for following up initial solicitations to determine with certainty whether the DBEs were interested (please attach copies of solicitations, telephone records, fax confirmations, etc.):

Names of DBEs Solicited	Date of Initial Solicitation	Follow Up Methods and Dates

C. The items of work made available to DBE firms including those unbundled contract work items into economically feasible units to facilitate DBE participation. It is the bidder's responsibility to demonstrate that sufficient work to facilitate DBE participation in order to meet or exceed the DBE contract goal.

Items of Work	Proposer or Bidder Normally Performs Item (Y/N)	Breakdown of Items	Amount ($)	Percentage of Contract
				0.00%
				0.00%
				0.00%
				0.00%

D. The names, addresses and phone numbers of rejected DBE firms, the reasons for the bidder's rejection of the DBEs, the firms selected for that work (please attach copies of quotes from the firms involved), and the price difference for each DBE if the selected firm is not a DBE:

Names, addresses and phone numbers of rejected DBEs and the reasons for the bidder's rejection of the DBEs:

Names, addresses and phone numbers of firms selected for the work above:

E. Efforts (e.g. in advertisements and solicitations) made to assist interested DBEs in obtaining information related to the plans, specifications and requirements for the work which was provided to DBEs:

F. Efforts (e.g. in advertisements and solicitations) made to assist interested DBEs in obtaining bonding, lines of credit or insurance, necessary equipment, supplies, materials, or related assistance or services, excluding supplies and equipment the DBE subcontractor purchases or leases from the prime contractor or its affiliate:

G. The names of agencies, organizations or groups contacted to provide assistance in contacting, recruiting and using DBE firms (please attach copies of requests to agencies and any responses received, i.e., lists, Internet page download, etc.):

Name of Agency/Organization	Method/Date of Contact	Results

H. Any additional data to support a demonstration of good faith efforts:

Attachment E

Addendums No. 1 & 2 to RFP #10951

COUNTY OF MONTEREY

PUBLIC WORKS, FACILITIES AND PARKS

Randell Ishii, MS, PE, TE, PTOE, Director

1441 Schilling Place, 2nd Floor
Salinas, California 93901-4527

(831) 755-4800
www.co.monterey.ca.us

April 7, 2025

ADDENDUM NO.1

PROFESSIONAL ENGINEERING SERVICES FOR
CHUALAR WASTEWATER CONSOLIDATION
PROJECT NO. C-06-8676-110
RFP#10951

The purpose of this Addendum is to provide revisions and clarifications to RFP#10951; and to provide answers to questions. This acknowledgement signature page of Addendum No. 1 must be submitted with your proposal.

If this acknowledgement signature page is not submitted with your proposal, your entire proposal is considered non-responsive.

RECEIPT IS HEREBY ACKNOWLEDGED OF ADDENDUM NO.1, RFP # 10951, CHUALAR WASTEWATER CONSOLIDATION, PROJECT No. C-06-8676-110.

_____ _____
Authorized Company Signature Printed Name

_____ _____
Company Name Date

Additions/Deletions/Revisions:

1. Revise Section 2 in the Proposal or Qualifications Package Layout table, under section 8.1 Content and Layout with:

Section 2	PROPOSED SCOPE OF WORK
	LICENSING AND WORK QUALIFICATIONS

2. Add the following to Section 2 Pre-Qualifications/Licensing Requirements, under section 8.1 Content and Layout:

   Proposed scope of work to include project understanding and approach, work plan, and schedule.

3. Add the following to section 5.0 Scope of Work, sub-section 7 Financial Assistance Applications, on page 9.

   7.3 The County is anticipating preparation and submittal of a CWSRF Financial Assistance Application for a second phase of the project – to cover costs associated with the final design and actual construction of the Selected option. The CONTRACTOR will be expected to assist with the work necessary to be completed in order to assemble and file that Application, to include all technical materials necessary to comply with the requirements for preparation and submittal. IF funds are successfully secured via that application or otherwise, the County, at its option, may elect to retain the same CONTRACTOR to provide final design, construction administration, and other support services necessary to construct the project; however, the costs associated with those second phase support services are not necessary to be delineated/included as part of this proposal.

4. Replace Attachment B – Pricing with the attached updated Attachment B

Response to Questions:

Question 1: Force main route- has any preliminary work been done to determine the best route? It looks like it could be either from the community towards Salinas Highway 101, or from the Plant, along River Road to Davis. ROW Acquisition would vary greatly.

Response 1: No, best route not yet determined, that is part of the scope for this project.

Question 2: LAFCO is working a new MSR for the CSA's – their 2006 study shows this CSA#75 working at 45 gpm, with a capacity of 60 gpm… (I might have the metric wrong, it could be MGPD- .45) Is that still the case?

Response 2: The existing WWTF is permitted for a maximum month average daily flow of 100,000 gallons per day (gpd). Averaged Flow Data from years 2005-2020 indicates an Annual Average Daily Flow (ADF) of 63,401 gpd. The Average Day Max Month Flow (MMF) during those years was 97,596 gpd with a Peak Day Flow (PDF) of 135,171 gpd.

Question 3: Section 6.0 Agreement Term: Does this agreement authorize the County to extend the scope of work to include the final design phase if County receives funding? Please confirm that the selected team is intended to provide full design support upon future scope and fee negotiation, with the caveat that the County has the right to terminate the contract and go out to RFP for future work.

Response 3: See number 3 under Additions/Deletions/Revisions section of this addendum.

Question 4: Also, is the consultant able to raise rates each year during the term of the contract without increasing the contract value if noted on our rate schedule without prior 90 day authorization?

Response 4: Yes, contractor will need to fill out the attached 10 H form (Attachment B).

Question 5: Section 11.3.1, Can you please confirm the cost proposal? It is noted to be a cost-plus fixed fee. Please confirm this is correct, or should it be a Time & Materials - Not to Exceed fee estimate?

Response 5: Correct, the cost proposal follows a Cost-Plus-Fixed-Fee structure.

Question 6: Is the Design consultant required to comply with any DBE requirements? If so, please provide more direction on these requirements.

Response 6: No DBE goal has been set for this project.

Question 7: Attachment D – This project is not a federal highway project and thus should not be required to comply with the 10-H process. Please confirm if this requirement can be removed from the RFP process.

Response 7: Contractor will need to use Attachment B.

Question 8: Can you please clarify if you would like to have the following sections included in the proposal:

1. *Understanding*
2. *Approach*
3. *Scope of Work*
4. *Schedule*

If so, please clarify which section of the proposal you would like them to be included. Thank you!

Response 8: See number 1 and 2 under Additions/Deletions/Revisions section of this addendum.

Question 9: when is this project expected to go to bid for contractors and what is the expected start date for construction?

Response 9: At this time, the construction start date is unknown. The County will advertise for construction bids once the design is complete.

COUNTY OF MONTEREY

PUBLIC WORKS, FACILITIES AND PARKS

Randell Ishii, MS, PE, TE, PTOE, Director

1441 Schilling Place, 2nd Floor
Salinas, California 93901-4527

(831) 755-4800
www.co.monterey.ca.us

April 16, 2025

ADDENDUM NO.2

PROFESSIONAL ENGINEERING SERVICES FOR
CHUALAR WASTEWATER CONSOLIDATION
PROJECT NO. C-06-8676-110
RFP#10951

The purpose of this Addendum is to provide revisions and clarifications to RFP#10951; and to provide answers to questions. This acknowledgement signature page of Addendum No. 2 must be submitted with your proposal.

If this acknowledgement signature page is not submitted with your proposal, your entire proposal is considered non-responsive.

RECEIPT IS HEREBY ACKNOWLEDGED OF ADDENDUM NO.2, RFP # 10951, CHUALAR WASTEWATER CONSOLIDATION, PROJECT No. C-06-8676-110.

_____ _____
Authorized Company Signature Printed Name

_____ _____
Company Name Date

Additions/Deletions/Revisions:

Delete third sentence, "All prices and notations must be typed or written in BLUE ink.", of "Signed Signature Page and Signed Addenda" paragraph under Section 1, Requirements, of Section 8.0, Proposal/Qualifications Package Requirements, on Page 11 of the RFP.

Add the following to section 11.1:
Only specific cost proposal for task 1 Project Report and Preliminary Design is required at this time.

Response to Questions:

Question 1: It is anticipated that responses to these questions may significantly impact the scope of work. We request a 2-week extension to the proposal deadline to allow for development of a complete and comprehensive proposal, following posting of responses to written questions.

Response 1: Yes, the county will extend the proposal deadline to May 09, 2025, 3PM. Please note that there may be some flexibility in the project schedule (between anticipated Contract date of June 2025 and the draft Project Report date of 9/30/25). CONTRACTOR should address the timeframe needed to complete all work associated with Task 1 – Project Report and Preliminary Design.

Question 2: Please provide a map of additional parcels outside the existing Chualar wastewater collection system being considered for inclusion in the Project planning work. Is planning and design for collection system infrastructure needed to serve the additional parcels included in the project?

Response 2: (R1) Additional parcels not yet identified. (R2) This is to be determined based on the Selected Construction Project Alternative.

Question 3: Is planning and design for existing collection system infrastructure rehabilitation included in the project?

Response 3: Not in Chualar except for modification as may be necessary to accommodate the Selected Construction Project Alternative.

Question 4: Please provide copies of any prior available planning documents related to the Project. This includes prior condition assessments of the Chualar wastewater collection and treatment facility, and capacity assessments of the City of Salinas's wastewater collection system.

Response 4:
(re: Chualar): We have attached a <u>DRAFT</u> WASTEWATER PROJECT REPORT prepared in August of 2022 – which may have useful/relevant background information regarding the Chualar wastewater collection system and a wastewater treatment facility (WWTF). This information was subsequently utilized in the preparation of the County's Grant Application; however, please understand that although this was the basis for the initial Grant submittal, the County and State Water Resources Control Board staff worked together to adjust the scope and relevant documents. The final scope, budget and schedule from the executed agreement vary significantly from the initially submitted application and plan of study. The RFP

includes a copy of the final executed agreement for use/reference in assembling the Proposal and contains vital information about the Grant.

(re: Salinas): Detailed Condition assessments for the City of Salinas' wastewater collection system are not presently available – if/as needed or necessary, CONTRACTOR is to assemble those as part of task(s) documenting existing system.

Question 5: Please provide the grant application prepared for obtaining Project funding.

Response 5: We have attached: (1) The original 'General Application' dated April 4, 2022; (2) Revised Planning Grant Application dated May 4, 2023; and (3) Plan of Study dated May 3, 2023. Please understand that the County and State Water Resources Control Board staff worked together to adjust the scope and relevant documents prior to Grant Award and the final scope, budget and schedule from the executed agreement vary significantly from the initially submitted application form and the 'Updated' plan of study which is attached. The RFP includes a copy of the final executed agreement for use/reference in assembling the Proposal and contains vital information about the grant.

Question 6: Is a condition assessment and capacity assessment of the existing City of Salinas wastewater system anticipated to be required as part of the Project? If so, please provide atlas maps and/or record drawings of existing facilities to be analyzed.

Response 6: This is to be determined based on the Selected Construction Project Alternative.

Question 7: Should the Project Report address condition or capacity for Monterey One Water conveyance and treatment facilities. If so, please provide atlas maps and record drawings of existing facilities to be analyzed.

Response 7: This is to be determined based on the Selected Construction Project Alternative.

Question 8: Should improvements to other agencies' facilities be included in the 30% design scope and CEQA document? If so, what improvements should be included?

Response 8: Possibly. This is to be determined based on the Selected Construction Project Alternative.

Question 9: If a consolidation occurs, what is the anticipated fate of the existing WWTP site? Should a phase I environmental assessment of the existing site be included in the Project scope?

Response 9: No. If necessary, that will be part of a subsequent Project for final design.

Question 10: Paragraph A.5 of the funding agreement requests the use of Disadvantaged Business Enterprises (DBE) for procurement of services. Is there a DBE goal or target for the Consultant team?

Response 10: No.

Question 11: Is there an alternative which should be used as the basis for developing a proposed scope and fee for development of an environmental document (CEQA)? Alternatively, can development of scope and fee for environmental work be deferred until a preferred alternative project is selected?

Response 11: Refer to Section 5.0 Scope of Work, Task 3 – Environmental Documents on page 8 of the RFP.

Question 12: Is there an alternative which should be used as the basis for developing a proposed scope and fee for development of 30% design documents and permitting? Alternatively, can development of scope and fee for design and permitting work be delayed until a preferred alternative project is selected?

Response 12: please see response to Question 25.

Question 13: Should a geotechnical investigation be included in preparation of the 30% design package?

Response 13: If necessary to complete 30% plans and specifications (Refer to Section 5.0 Scope of Work, Task 2 – Plans and Specifications on page 8 of the RFP); however, no ground disturbing activities unless/until the Environmental review process is complete.

Question 14: Should scope for public outreach be included as part of the project?

Response 14: Public outreach is not required for Task 1 – Project Report and Preliminary Design, however, include public outreach in as part of the CEQA process.

Question 15: The allocated budget for Task 5 appears disproportionate to the scope of simply identifying required easements. In Task 5, should services be included to support easement acquisition, including boundary surveys, development of plat maps and legal descriptions, obtaining title reports, and/or easement negotiation and acquisition support services?

Response 15: No. If necessary, those services will be part of a subsequent Project for Final Design.

Question 16: The Cost Proposal in Attachment B includes alternative cost methodologies. What is the form of compensation to be used for this contract, Cost-Plus-Fixed Fee, Lump Sum, Firm Fixed Price, or Time and Materials to a not to exceed (preferred)?

Response 16: The fee structure is Cost-Plus-Fixed Fee. See Addendum No. 1.

Question 17: Can the County clarify if only the Signature page needs to be a wet/manual blue signature?

Response 17: The Signature Page and Addenda, if any, need to be signed in wet/manual blue ink. Please refer to the "Signed Signature Page and Signed Addenda" paragraph under Section 1, Requirements, of Section 8.0, Proposal/Qualifications Package Requirements, on Page 11 of the RFP.

Question 18: Can the County clarify if the Cover Letter requires a wet/manual blue signature?

Response 18: No, the Cover Letter does not require a wet/manual blue ink signature.

Question 19: Can the County clarify if the entire proposal and cost proposal needs to be in blue colored font?

Response 19: No, the entire proposal and cost proposal does not need to be in blue font.

Questions 20: Can the County clarify if only the cost proposal needs to be in blue colored font?

Response 20: No, the cost proposal does not need to be in blue font.

Question 21: "In Section 7 (Financing Assistance Applications), you only reference the CWSRF. Are you willing to consider a more comprehensive financing plan that looks into a range of financing options, contains a financing model, and includes the financing implementation assistance?"

Response 21: Yes, depending on the Cost Estimate for the Selected Construction Alternative.

Question 22: Has the County discussed the option of sending this wastewater through the City's collection system with the City of Salinas? Did they agree in concept?

Response 22: Yes, preliminarily at time the Grant Application was filed in 2022; however, will need coordination and written agreement if the Selected Construction Alternative involves connection to/through the City's system.

Question 23: Assuming that answer is yes, will the City of Salinas provide a copy of their collection system map and model for the designer's use?

Response 23: Yes, when work commences.

Question 24: If collection system upgrades are required in Salinas, will this grant cover them?

Response 24: Yes, this project would need to include outlining the necessary improvements. Design and Construction would be included in the subsequent Financial Assistance Application.

Question 25: The cost of the work will vary depending on the option selected under Task 1. Should the designer assume the largest possible project when preparing a scope and fee, or will the county contract for the alternatives analysis up front, and then contract for the remaining work once that scope is better defined? We are concerned that the Geo-Tech, Env., ROW work will be greatly inflated unless this can be considered in two distinct phases; agree to a single project, then estimate further costs needed to pull permits and build it.

Response 25: As suggested, we have decided to Modify the RFP to only require a specific cost proposal for Task 1 ('Project Report and Preliminary Design') at this time. After there is an agreed upon 'Selected Construction Alternative', County (at its option) may elect to retain the same CONTRACTOR and request a subsequent cost proposal for the balance of the work/tasks outlined under Section 5.0 - SCOPE OF WORK.

Attachment F

CWSRF Grant Agreement

Clean Water Planning Loan (Principal Forgiveness)

Agreement No. D2401012

Clean Water
State Revolving Fund

CLEAN WATER PLANNING LOAN (PRINCIPAL FORGIVENESS)

AGREEMENT NO. D2401012

BY AND BETWEEN

COUNTY OF MONTEREY ("Recipient")

AND

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD ("State Water Board")

CALIFORNIA
Water Boards

FOR THE PURPOSE OF THE

CHUALAR WASTEWATER CONSOLIDATION ("Project")

PROJECT NO. C-06-8676-110

- Section 13475 et seq. of the Water Code, and Resolution Nos. 2024-0026 and 2019-0064.

PROJECT FUNDING AMOUNT: $2,500,000.00
PRINCIPAL FORGIVENESS COMPONENT: $2,500,000.00
ESTIMATED REASONABLE PROJECT COST: $2,500,000.00

ELIGIBLE WORK START DATE: JULY 14, 2021
WORK COMPLETION DATE: JUNE 30, 2028
FINAL REIMBURSEMENT REQUEST DATE: SEPTEMBER 30, 2028
RECORDS RETENTION END DATE: JUNE 30, 2064

Adobe Acrobat Sign Transaction Number: CBJCHBCAABAAD1aLX2UQpmzyboOFqjdbw5JKEQRFNCJ2

1. The State Water Board and the Recipient mutually promise, covenant, and agree to the terms, provisions, and conditions of this Agreement, including the following Exhibits, which are attached hereto or are incorporated by reference:

   - EXHIBIT A – SCOPE OF WORK AND SCHEDULE
   - EXHIBIT B – FUNDING PROVISIONS
   - EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV
   - EXHIBIT D – SPECIAL CONDITIONS

2. The following documents are also incorporated by reference, as well as any documents incorporated by reference in Exhibit D:

   - the Waste Discharge Requirement Order No. R1- 01-038 and any amendments thereto

3. Party Contacts during the term of this Agreement are:

State Water Board		County of Monterey	
Section:	Division of Financial Assistance		
Name:	Matt Chambers, Project Manager	Name:	Randell Ishii, Director of Department of Public Works, Facilities, and Parks
Address:	1001 I Street, 16th Floor	Address:	1441 Schilling Place
City, State, Zip:	Sacramento, CA 95814	City, State, Zip:	Salinas, CA 93901
Phone:	(916) 341-5723	Phone:	(831) 755-4800
Email:	Matthew.Chambers@waterboards.ca.gov	Email:	ishiir@countyofmonterey.gov

Each party may change its contact upon written notice to the other party. While Party Contacts are contacts for day-to-day communications regarding Project work, the Recipient must provide official communications and notices to the Division's Deputy Director in addition to the Party Contacts.

4. Conditions precedent to this Agreement are set forth as follows:
   (a) The Recipient must deliver to the Division a resolution authorizing this Agreement and identifying its authorized representative by title.
   (b) The Recipient must deliver an opinion of general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement.

5. The Recipient represents, warrants, and commits to the following as of the Eligible Work Start Date and continuing thereafter for the term of this Agreement, which shall be at least until the Records Retention End Date:

   (a) The Recipient agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents.

   (b) The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

(c) None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. The Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Recipient is able to pay its debts as they become due. The Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employer liability, professional liability.

(d) The Recipient is in compliance with all State Water Board funding agreements to which it is a party.

6. This Agreement, and any amendments hereto, may be executed and delivered in any number of counterparts, each of which when delivered shall be deemed to be an original, but such counterparts shall together constitute one document. The parties may sign this Agreement, and any amendments hereto, either by an electronic signature using a method approved by the State Water Board or by a physical, handwritten signature. The parties mutually agree that an electronic signature using a method approved by the State Water Board is the same as a physical, handwritten signature for the purposes of validity, enforceability, and admissibility.

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

COUNTY OF MONTEREY:

By: Randell Y Ishii
Name: Randell Ishii
Title: Director of Public Works, Facilities, and Parks

Date: Dec 23, 2024

STATE WATER RESOURCES CONTROL BOARD:

By: J. Karkoski
Name: Joe Karkoski
Title: Deputy Director
Division of Financial Assistance

Date: Jan 23, 2025

Adobe Acrobat Sign Transaction Number: CBJCHBCAABAAD1aLX2UQpmzyboOFqjdbw5JKEQRFNCJ2

EXHIBIT A – SCOPE OF WORK AND SCHEDULE

A.1 PROJECT PURPOSE AND DESCRIPTION.

The Project is for the benefit of the Recipient. The funding under this Agreement will be used to evaluate options to repair/upgrade the Chualar Wastewater Treatment Plant, construct a new wastewater treatment plant, and to connect the Chualar wastewater collection system with the City of Salinas collection system for treatment at the Monterey One Water Regional Treatment and Recycling Facility. The Project will also evaluate options for connecting additional parcels outside of the existing Chualar wastewater collection system.

The Recipient will complete the necessary preliminary design, environmental documents, and necessary inter-agency agreements for the Selected Construction Project.

A.2 SCOPE OF WORK.

ITEM	DESCRIPTIONS
1	Project Report and Preliminary Design
	1.1 Prepare a Project Report that documents existing system conditions, evaluates project alternatives, and identifies required permits, environmental and design work, schedule, and budget for two possible construction projects. The Project Report will identify possible funding sources and include preliminary rate estimates for each alternative. The Project Report will also evaluate a 20-year life cycle cost as part of the financial analysis. The Project Report will include 10% design plans for the two possible construction projects. The Project Report will identify a Selected Construction Project and will comply with the Project Report requirements for a CWSRF Financial Assistance Application for Construction. Item 1 Submittals: a) Draft Project Report b) Final Project Report
2	Plans and Specifications
	2.1 Complete 30% Plans, Specifications, and Engineer's Opinion of Probable Cost for the Selected Construction Project. Item 2 Submittals: a) 30% Plans and Specifications and Engineer's Opinion of Probable Cost
3	Environmental Documents
	3.1 Complete all necessary environmental documents for the Selected Construction Project, including California Environmental Quality Act (CEQA) and Federal Cross-Cutter Documents, to satisfy the CWSRF Financial Assistance Application for Construction requirements. CEQA Document will include an analysis of environmental alternatives for the Selected Construction Project, unless exempt. Item 3 Submittals: a) Draft Environmental Documents b) Final Environmental Documents

ITEM	DESCRIPTIONS
4	Governance Structure and Agency Agreements (if applicable)
	4.1 Complete the necessary legal work and agency agreements for the Selected Construction Project. Item 4 Submittal: a) Draft Agency Agreements b) Final Agency Agreements
5	Easement Identification
	5.1 Identify the necessary permanent and temporary construction easements needed for the Selected Construction Project. Item 5 Submittal: a) Easement Summary Report
6	Permits and Related Studies
	6.1 Create draft permit applications as identified for the Selected Construction Project in the Project Report. Submit applications as appropriate based on the Project schedule. This line item includes additional studies that may be required to support permit applications. Item 6 Submittal: a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)
7	Financial Assistance Applications
	7.1 Submit a complete CWSRF Financial Assistance Application for Planning or Design. 7.2 Develop a draft Financial Package for the CWSRF Financial Assistance Application for Construction that includes the following: a) CWSRF Potential Flags Worksheet; b) Three years of audited financial statements or tax returns; c) Budget projections for at least the next two fiscal years; d) Rate adoption resolution or a copy of rates; and Schedule of related debt and debt document copies (if applicable), or a letter from the Authorized Representative stating the Recipient has no debt. 7.3 Submit a complete CWSRF Financial Assistance Application for Construction (General, Technical, Environmental, and Financial Packages, including all supporting materials) for the Selected Construction Project. Item 7 Submittal: a) Draft Financial Package for Construction b) Financial Assistance Application for Construction
8	Project Administration
	8.1 Perform necessary project administration duties including communicating with the State Water Board and professional contractors, submitting disbursement requests, submitting progress reports, and record keeping to fulfill the requirements of the Agreement. Item 8 Submittal: N/A

A.3 SCHEDULE.

Failure to provide items by the due dates indicated in the table below may constitute a material violation of this Agreement. The Project Manager may adjust the dates in the "Estimated Due Date" column of this table, but Critical Due Date adjustments will require an amendment to this Agreement. The Recipient must complete and submit all work in time to be approved by the Division prior to the Work Completion Date. As applicable for specific submittals, the Recipient must plan adequate time to solicit, receive, and address comments prior to submitting the final submittal. The Recipient must submit the final Reimbursement Request prior to the Final Reimbursement Request Date set forth on the Cover Page.

ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE
EXHIBIT A – SCOPE OF WORK			
	WORK TO BE PERFORMED BY RECIPIENT		
1	Project Report and Preliminary Design a) Draft Project Report b) Final Project Report	 N/A N/A	 September 30, 2025 December 31, 2025
2	Plans and Specifications a) 30% Draft, Plans, Specifications, and Engineer's Opinion of Probable Cost	N/A	May 31, 2026
3	Environmental Documents a) Draft Environmental Documents b) Final Environmental Documents	 N/A N/A	 July 31, 2026 November 30, 2026
4	Governance Structure and Agency Agreements (if applicable) a) Draft Agency Agreements b) Final Agency Agreements	 N/A N/A	 April 30, 2026 April 30, 2028
5	Easement Identification a) Easement Summary Report	 N/A	 August 10, 2026
6	Permits and Related Studies a) Draft Permit Applications b) Permit Applications as Submitted (If applicable)	 N/A N/A	 February 22, 2027 May 17, 2027
7	Financial Assistance Applications a) Draft Financial Package for Construction b) Financial Assistance Application for Construction	 N/A N/A	 March 31, 2027 June 31, 2027
8	Project Administration N/A	 N/A	 N/A
9	Work Completion Date	June 30, 2028	N/A
EXHIBIT B – REIMBURSEMENTS, BUDGET DETAIL, AND REPORTING PROVISIONS			
	REIMBURSEMENTS		
10	Reimbursement Requests	As Needed	
11	Final Reimbursement Request	September 30, 2028	N/A
	REPORTS		
12	Progress Reports	Quarterly	
13	As Needed Reports.	As Needed	

The Recipient must deliver any request for extension of the Work Completion Date no less than 90 days prior to the Work Completion Date.

The Division may require corrective work to be performed prior to Project Completion. Any work occurring after the Work Completion Date will not be reimbursed under this Agreement.

A.4 PROGRESS REPORTS.

The Recipient must provide a progress report to the Division each quarter, beginning no later than 90 days after execution of this Agreement. The Recipient must provide a progress report with each Reimbursement Request. Failure to provide a complete and accurate progress report may result in the withholding of Project Funds. A progress report must contain the following information:

1) A summary of progress to date including a description of progress since the last report, amount budgeted, amount spent, and percent completion for each task;
2) Statement indicating if all critical due dates are on track;
3) Statement indicating if all deliverable due dates are on track;
4) A description of compliance with any special conditions; and
5) Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.

A.5 DISADVANTAGED BUSINESS ENTERPRISE REPORTS.

The Recipient shall comply with the Disadvantaged Business Enterprises (DBE) requirements in 40 CFR § 33.301 for the Project and require its contractors and subcontractors on the Project to comply. 40 CFR § 33.301 requires the use of good faith efforts to utilize DBE's whenever procuring construction, equipment, services, and supplies. The Recipient must report DBE utilization to the Division on the DBE Utilization Report, State Water Board Form DBE UR334. The Recipient must submit such reports to the Division annually within ten (10) calendar days following October 1 until such time as the "Notice of Completion" is issued.

EXHIBIT B – FUNDING PROVISIONS

B.1 ESTIMATED REASONABLE COST AND PROJECT FUNDS.

The estimated reasonable cost of the total Project is set forth on the Cover Page of this Agreement, and is greater than or equal to the funding anticipated to be provided by the State Water Board under this Agreement. Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds not to exceed the amount of the Project Funding Amount set forth on the Cover Page of this Agreement.

B.2 RECIPIENT CONTRIBUTIONS.

The Recipient must pay any and all costs connected with the Project including, without limitation, any and all Project Costs. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient must nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.

The loan component of this Agreement is forgiven. The estimated amount of principal that will be due to the State Water Board from the Recipient under this Agreement is Zero dollars and no cents ($0.00).

B.3 VERIFIABLE DATA.

Upon request by the Division, the Recipient must submit verifiable data to support deliverables specified in the Scope of Work. The Recipient's failure to comply with this requirement may be construed as a material breach of this Agreement.

B.4 BUDGET COSTS

Budget costs are contained in the Summary Project Cost Table below:

DESCRIPTION	PROJECT FUNDING AMOUNT	TOTAL ESTIMATED COSTS
Project Report and Preliminary Design	$420,000	$420,000
Plans and Specifications	$540,000	$540,000
Environmental Documents	$380,000	$380,000
Governance Structure and Agency Agreements	$310,000	$310,000
Easement Identification	$310,000	$310,000
Permit and Related Studies	$140,000	$140,000
Financial Assistance Applications	$50,000	$50,000
Project Administration	$350,000	$350,000
TOTAL	$2,500,000	$2,500,000

The Division's Form 260 and Form 261 will document a more detailed budget of eligible Project Costs and Project funding amounts.

The Recipient is prohibited from requesting disbursement amounts that represent Recipient's mark-ups to costs invoiced or otherwise requested by consultants or contractors.

Project Costs incurred prior to the Eligible Work Start Date on the cover page of this Agreement are not eligible for reimbursement.

Reasonable indirect costs may be allowable upon approval by the Division.

B.5 LINE ITEM ADJUSTMENTS.

Subject to the prior review and approval of the Division, adjustments between existing budget line items may be used to defray allowable direct costs. Budget adjustments deleting a budget line item or adding a new budget line item shall require a formal amendment. The sum of adjusted line items in the budget must not exceed the total budget amount. The Division may propose budget adjustments.

B.6 REIMBURSEMENT PROCEDURE.

Except as may be otherwise provided in this Agreement, reimbursements will be made as follows:

1. Upon execution and delivery of this Agreement by both parties, the Recipient may request immediate reimbursement of any eligible incurred costs through submission to the State Water Board of the Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed. To be eligible for reimbursement, Project Costs, including planning and design allowance costs, must have been incurred in compliance with all applicable requirements, including the cross-cutting requirements listed in Exhibits C and D.
2. The Recipient must submit a Reimbursement Request for costs incurred prior to the date this Agreement is executed by the State Water Board no later than ninety (90) days after this Agreement is executed by the State Water Board. Late Reimbursement Requests may not be honored.
3. Additional Project Funds will be promptly disbursed to the Recipient upon receipt of Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed by the Recipient for incurred costs consistent with this Agreement, along with receipt of progress reports due under this Agreement.
4. The Recipient must not request reimbursement for any Project Cost until such cost has been incurred and is currently due and payable by the Recipient, although the actual payment of such cost by the Recipient is not required as a condition of Reimbursement Request. Supporting documentation (e.g., receipts) must be submitted with each Reimbursement Request. The amount requested for Recipient's administration costs must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = total amount claimed). Reimbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed Reimbursement Request. Upon request by the Division, supporting documents for professional and administrative services must include the employees' names, classifications, labor rates, hours worked, and descriptions of the tasks performed. Reimbursement Requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.
5. The Division may withhold disbursements where costs incurred do not reflect actual time spent.
6. The Recipient must spend Project Funds within 30 days of receipt. If the Recipient earns interest earned on Project Funds, it must report that interest immediately to the State Water Board. The State Water Board may deduct earned interest from future reimbursements.
7. The Recipient must not request a reimbursement unless that Project Cost is allowable, reasonable, and allocable.
8. The Recipient must submit all draft deliverables prior to reimbursement beyond 70 percent of the Project Funding Amount, and it must submit all final deliverables to the Division prior to reimbursement beyond 90 percent of the Project Funding Amount.
9. Notwithstanding any other provision of this Agreement, no reimbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, policies, or regulations.

Notwithstanding any other provision of this Agreement, the Recipient agrees that the State Water Board may retain an amount equal to ten percent (10%) of the Project Funding Amount until Project Completion. Any retained amounts due to the Recipient will be promptly disbursed to the Recipient, without interest, upon Project Completion.

B.7 REVERTING FUNDS AND DISENCUMBRANCE.

In the event the Recipient does not submit Reimbursement Requests for all funds encumbered under this Agreement timely, any remaining funds revert to the State. The State Water Board may notify the Recipient that the project file is closed, and any remaining balance will be disencumbered and unavailable for further use under the Agreement

EXHIBIT C – GENERAL TERMS AND CONDITIONS 2019-NOV

GENERAL TERMS AND CONDITIONS 2019-NOV is posted at https://www.waterboards.ca.gov/water_issues/programs/grants_loans/general_terms.html and replicated below:

1. DEFINITIONS. Unless otherwise specified in this Agreement, each capitalized term used in this Agreement has the following meaning:

- "Agreement" means this agreement, including all exhibits and attachments hereto.
- "Cover Page" means the front page of this Agreement.
- "Days" means calendar days unless otherwise expressly indicated.
- "Deputy Director" means the Deputy Director of the Division.
- "Division" means the Division of Financial Assistance of the State Water Board or any other division or unit of the State Water Board authorized to administer this Agreement.
- "Event of Default" means the occurrence of any of the following events:
    a) A representation or warranty made by or on behalf of the Recipient in this Agreement or in any document furnished by or on behalf of the Recipient to the State Water Board pursuant to this Agreement shall prove to have been inaccurate, misleading or incomplete in any material respect;
    b) Failure by the Recipient to observe and perform any covenant, condition, or provision in this Agreement, which failure shall continue for a period of time, to be determined by the Division;
    c) Initiation of proceedings seeking arrangement, reorganization, or any other relief under any applicable bankruptcy, insolvency, or other similar law; the appointment of or taking possession of the Recipient's property by a receiver, liquidator, assignee, trustee, custodian, conservator, or similar official; the Recipient's entering into a general assignment for the benefit of creditors; the initiation of resolutions or proceedings to terminate the Recipient's existence, or any action in furtherance of any of the foregoing;
    d) A determination pursuant to Gov. Code section 11137 that the Recipient has violated any provision in Article 9.5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code; or
    e) Loss of the Recipient's rights, licenses, permits, or privileges necessary for the Project, or the occurrence of any material restraint on the Recipient's enterprise by a government agency or court order.
- "Final Reimbursement Request Date" means the date set forth as such on the Cover Page of this Agreement, after which date, no further reimbursements or disbursements may be requested.
- "Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year.
- "GAAP" means generally accepted accounting principles, the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public

Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor, or the Uniform System of Accounts, as adopted by the California Public Utilities Commission for water utilities.

- "Material Obligation" means an obligation of the Recipient that is material to this transaction.
- "Party Contact" means, for the Recipient, the Authorized Representative of the Recipient or any designee of the Authorized Representative, and, for the State Water Board, the Division staff set forth in Section 2 of this Agreement.
- "Project" means the Project funded by this Agreement as described in Exhibits A and B and in the documents incorporated by reference herein.
- "Project Completion" means, as determined by the Division, that the Project is complete to the reasonable satisfaction of the Division.
- "Project Costs" means the incurred costs of the Recipient which are eligible for funding under this Agreement, pursuant to applicable statutes, policy, regulations, or guidelines.
- "Project Funding Amount" means the maximum amount payable under this Agreement, as set forth on the Cover Page.
- "Project Funds" means all moneys disbursed to the Recipient by the State Water Board for eligible Project Costs pursuant to this Agreement.
- "Project Manager" means the person designated by the State Water Board to manage performance of this Agreement. The Project Manager is set forth on the Cover Page.
- "Records Retention End Date" means the last date that the Recipient is obligated to maintain records related to this Agreement and is set forth on the Cover Page of this Agreement.
- "Regional Water Quality Control Board" or "Regional Water Board" means the appropriate Regional Water Quality Control Board.
- "Reimbursement Period" means the period during which Project Funds may be disbursed.
- "Reimbursement Request" means the Recipient's request for Project Funds from the State Water Board as set forth in Exhibit B.
- "State" means State of California.
- "State Water Board" means the State Water Resources Control Board.
- "Work Completion" means the Recipient's submittal of all work set forth under Exhibit A for review and approval by the Division.
- "Work Completion Date" means the date set forth on the Cover Page of this Agreement and is the last date on which Project Costs may be incurred under this Agreement.
- "Year" means calendar year unless otherwise expressly indicated.

2. ACCESS, INSPECTION, AND PUBLIC RECORDS. The Recipient must ensure that the State Water Board, the State Auditor, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times through the Records Retention End Date or useful life of the Project, whichever is longer. The Recipient acknowledges that, except for a subset of information regarding archaeological records and personally identifiable information, the Project records and locations may be public records, including but not limited to all of the submissions accompanying the application, all of the documents incorporated into this Agreement by reference, and all reports, Reimbursement Requests, and supporting documentation submitted hereunder.

3. ACCOUNTING AND AUDITING STANDARDS; FINANCIAL MANAGEMENT SYSTEMS. The Recipient must maintain GAAP-compliant project accounts, including GAAP requirements relating to the reporting of infrastructure assets. Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient must:

   (a) Establish an official file for the Project which adequately documents all significant actions relative to the Project;

   (b) Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all Project Funds received under this Agreement;

   (c) Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to Project Funds disbursed under this Agreement;

   (d) Establish an accounting system which will accurately depict final total costs of the Project if authorized under this Agreement;

   (e) Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and

   (f) If the Recipient uses its own employees, equipment, or resources for any phase of the Project, accounts will be established which reasonably document all employee hours charged to the Project and the associated tasks performed by each employee.

4. AMENDMENT. No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by both the Recipient and the Deputy Director or designee and approved as required.

5. ASSIGNABILITY. This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board. Amendment of the Agreement may be required.

6. AUDIT. The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of State or federal requirements. If an audit is called for, the audit must be performed by a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit must be in the form required by the Division. The Recipient must return, or ensure the return of, any audit disallowances within 30 days.

7. BONDING. Where construction contractors are used, the Recipient must not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and

materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00.

8. COMPETITIVE BIDDING. Recipient must adhere to any applicable State law or local ordinance for competitive bidding and applicable labor laws. If Recipient is a private entity, any construction contracts related in any way to the Project must be let by competitive bid procedures which assure award of such contracts to the lowest responsive and responsible bidders. Recipient must not award a construction contract until a summary of bids and identification of the selected lowest responsible bidder is submitted to and approved in writing by the Division. Recipient must provide a full explanation if Recipient is proposing to award a construction contract to anyone other than the lowest responsible bidder.

9. COMPLIANCE WITH APPLICABLE LAWS, RULES, AND REQUIREMENTS. The Recipient must, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and State laws, rules, guidelines, regulations, and requirements and with provisions of the adopted environmental mitigation plan, if any, for the useful life of the Project.

10. COMPUTER SOFTWARE. The Recipient certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

11. CONFLICT OF INTEREST. The Recipient certifies that it, its owners, officers, directors, agents, representatives, and employees are in compliance with applicable State and federal conflict of interest laws and will remain in compliance for the useful life of the Project. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances. Public entities are required to have adopted conflict of interest codes and may be required to provide documentation of those codes to the Division.

12. DATA MANAGEMENT. The Recipient will undertake appropriate data management activities so that Project data can be incorporated into statewide data systems.

13. DEBARRED, DISQUALIFIED, OR EXCLUDED CONTRACTORS. The Recipient must not contract or allow subcontracting with excluded parties. The Recipient must not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient must not contract with any individual or organization on the State Water Board's List of Disqualified Businesses and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml

14. DRUG-FREE WORKPLACE. The Recipient certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act (Gov. Code. §§ 8350-8357). The Recipient shall publish a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the Recipient's workplace and specifying the actions to be taken against employees for violations of the prohibition. The Recipient shall establish a drug-free awareness program to inform employees about the dangers of drug abuse in the workplace, the Recipient's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation and employee assistance programs, and penalties that may be imposed upon employees for drug abuse violations. The Recipient shall provide that

every employee who works on the Project receives a copy of the Recipient's drug-free workplace policy statement and agrees to abide by the terms of the statement as a condition of employment on the Project.

15. ENVIRONMENTAL CLEARANCE. No work that is subject to California Environmental Quality Act (CEQA) or the National Environmental Policy Act (NEPA) may proceed under this Agreement until the State Water Board has provided approval to proceed. Upon receipt and review of the Recipient's environmental documents, the State Water Board shall make the appropriate environmental findings before determining whether to approve construction or implementation funding for the Project under this Agreement. Providing approval for such construction or implementation funding is fully discretionary. The State Water Board may require changes in the scope of work or additional mitigation as a condition to providing construction or implementation funding under this Agreement. Recipient shall not perform any work subject to CEQA and/or NEPA before the State Water Board completes its environmental review and specifies any changes in scope or additional mitigation that may be required. Proceeding with work subject to CEQA and/or NEPA without approval by the State Water Board shall constitute a breach of a material provision of this Agreement. If this Project includes modification of a river or stream channel, the Recipient must fully mitigate environmental impacts resulting from the modification. The Recipient must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.

16. FINAL REIMBURSEMENT REQUEST. The Recipient agrees to ensure that its final Reimbursement Request is received by the Division no later than the Final Reimbursement Request Date, unless prior approval has been granted by the Division. If the final Reimbursement Request is not received timely, the undisbursed balance of this Agreement may be deobligated.

17. FRAUD AND MISUSE OF PUBLIC FUNDS. All requests for disbursement must be accurate and signed by the Recipient or its Authorized Representative under penalty of perjury. All costs submitted pursuant to this Agreement must only be for the work or tasks set forth in this Agreement. The Recipient must not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs). Any costs for which the Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other cost is improper and will not be compensated. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements and, notwithstanding any other section in this Agreement, the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. Additionally, the Deputy Director of the Division may request an audit and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability.

18. FUNDING CONTINGENCY. The State Water Board's disbursement of funds hereunder is contingent on the Recipient's compliance with the terms and conditions of this Agreement. The State Water Board's obligation to disburse funds is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason, including but not limited to failure of the federal or State government to appropriate funds necessary for disbursement of funds, the State Water Board shall not be obligated to make any disbursements to the Recipient under this Agreement. If this Agreement's funding for any fiscal year expires due to reversion or is reduced, substantially delayed, or deleted by the Budget Act, by Executive Order, or by order or action of the Department of Finance, the State Water Board

has the option to either cancel this Agreement with no liability accruing to the State Water Board, or offer an amendment to the Recipient to reflect the reduced amount. This provision shall be construed as a condition precedent to the obligation of the State Water Board to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Recipient with a right of priority for disbursement over any other entity. If any disbursements due the Recipient under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the State Water Board that such disbursement will be made to the Recipient when sufficient funds do become available, but this intention is not binding.

19. GOVERNING LAW. This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

20. RECIPIENT'S SHARE. The Recipient agrees that it will provide for the payment of its full share, if any share is required, of Project Costs and that all costs connected with the Project will be timely paid by the Recipient.

21. INDEMNIFICATION AND STATE REVIEWS. The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the Project; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement, except those arising from the gross negligence or willful misconduct of the Indemnified Persons. The Recipient must also provide for the defense and indemnification of the Indemnified Persons in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and must cause the Indemnified Persons to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section survive the term of this Agreement.

22. INDEPENDENT ACTOR. The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

23. INSPECTION. Throughout the useful life of the Project, the State Water Board shall have the right to inspect the Project area to ascertain compliance with this Agreement.

24. INTEGRATION. This Agreement constitutes the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

25. LIENS. The Recipient must not make any pledge of or place any lien on the Project or Project assets except upon consent of the Division.

26. NO DISCRIMINATION. The Recipient must comply with Government Code section 11135 and the implementing regulations (Cal. Code Regs, tit. 2, § 11140 et seq.), including, but not limited to, ensuring that no person is unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination in the operation of, the Project on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation as such terms are defined under California law, for as long as the Recipient retains ownership or possession of the Project. If Project Funds are used to acquire or improve real property, the Recipient must include a covenant of nondiscrimination running with the land in the instrument effecting or recording the transfer of such real property. The Recipient must comply with the federal American with Disabilities Act of 1990 and implementing regulations as required by Government Code section 11135(b). The Recipient's obligations under this section shall survive the term of this Agreement. During the performance of this Agreement, Recipient and its contractors and subcontractors must not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status. The Recipient, its contractors, and subcontractors must ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Recipient, its contractors, and subcontractors must comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subds. (a)-(f) et seq.;Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Recipient, its contractors, and subcontractors must give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

27. NO THIRD-PARTY RIGHTS. This Agreement creates no rights in and grants no remedies to any third party as a beneficiary of this Agreement.

28. NO OBLIGATION OF THE STATE. Any obligation of the State Water Board herein contained shall not be an obligation, debt, or liability of the State and any such obligation shall be payable solely out of the moneys encumbered pursuant to this Agreement.

29. NON-WAIVER. Nothing in this Agreement shall affect or impair the Recipient's obligation to undertake work under this Agreement or shall affect or impair the right of the State Water Board to bring suit to enforce such work. No delay or omission of the State Water Board in the exercise of any right arising upon an Event of Default shall impair any such right or be construed to be a

waiver of any such Event of Default. The State Water Board may exercise from time to time and as often as shall be deemed expedient by the State Water Board, any remedy or right provided by law or pursuant to this Agreement. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

30. OTHER FUNDING SOURCES; INCOME RESTRICTIONS. If funding for Project Costs is made available to the Recipient from sources other than this Agreement, the Recipient must notify the Division. The Recipient may retain such funding up to an amount which equals the Recipient's contribution to Project costs. To the extent allowed by requirements of other funding sources, excess funding must be remitted to the State Water Board. The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient as related to this Agreement must be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

31. PERMITS AND AUTHORIZATIONS. Recipient must procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses must be submitted to the Division before any construction or implementation begins.

    Any contractors, outside associates, or consultants required by the Recipient in connection with the services covered by this Agreement shall be limited to such individuals or firms as were specifically identified and agreed to during negotiations for this Agreement, or as are specifically authorized by the State Water Board's Project Manager during the performance of this Agreement. Any substitutions in, or additions to, such contractors, associates, or consultants, shall be subject to the prior written approval of the State Water Board's Project Manager.

32. PREVAILING WAGES. If applicable, the Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. If applicable, the Recipient must monitor all agreements subject to reimbursement from this Agreement to ensure that the applicable prevailing wage provisions of the State Labor Code are being met. Division of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/lcp.asp. For more information, please refer to DIR's Public Works Manual at: http://www.dir.ca.gov/dlse/PWManualCombined.pdf.

33. PRIOR COSTS. No costs incurred prior to the Eligible Work Start Date are eligible for reimbursement.

34. PROFESSIONALS. The Recipient agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for. All technical reports required pursuant to this Agreement that involve planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, architectural, or geologic sciences, shall be prepared by or under the direction of persons registered to practice in California pursuant to Business and Professions Code, sections 5536.1, 6735, 7835, and 7835.1. As required by these laws, completed technical reports must bear the signature(s) and seal(s) of the registered professional(s) in a manner such that all work can be clearly attributed to the professional responsible for the work.

35. RECORDS, INSPECTION, AUDITS, AND INTERVIEWS; RECORDS RETENTION. The Recipient must maintain separate books, records and other material relative to the Project and retain such books, records, subcontracts, and other material until at least the Records Retention End Date set forth on the Cover Page of this Agreement. The Recipient must require that such

books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the Department of Finance, the California State Auditor, the Bureau of State Audits, or any authorized representatives of the aforementioned, including federal funding agencies and their auditors, if any. The Recipient must allow and must require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section survive the term of this Agreement.

36. RELATED LITIGATION. Under no circumstances may the Recipient use funds from any reimbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to complete the Project funded by this Agreement or to repay all of the disbursed funds plus interest.

37. REMEDIES. The State Water Board may enforce its rights under this Agreement by any judicial proceeding, whether at law or in equity. None of the remedies available to the State Water Board shall be exclusive of any other remedy, and each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. The State Water Board may exercise any remedy, now or hereafter existing, without exhausting and without regard to any other remedy. Any dispute of the Recipient is limited to the rights and remedies provided to the Recipient under this Agreement and is subject to the procedures provided to the Recipient under this Agreement.

38. REPORTS - AS NEEDED. The Recipient must provide expeditiously any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the State or federal government.

39. RESPONSIBILITY FOR WORK. The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project, including, but not limited to, payment disputes with contractors and subcontractors. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

40. RIGHTS IN DATA. The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request. The Recipient may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgement of credit to the State Water Board for financial support. The Recipient shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.

41. STATE WATER BOARD ACTION; COSTS AND ATTORNEY FEES. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

42. STATUS QUO. If any action to enforce any right or exercise any remedy shall be brought and either discontinued or determined adversely to the State Water Board, then the State Water Board shall be restored to its former position, rights, and remedies as if no such action had been brought.

43. TERMINATION, IMMEDIATE REPAYMENT, AND INTEREST: This Agreement may be terminated by written notice at any time, at the option of the State Water Board, if:

    a. the Recipient has received funds as a result of a material misrepresentation in the funding application or other submitted document; or
    b. upon violation by the Recipient of any material provision of this Agreement after such violation has been called to the attention of the Recipient and after failure of the Recipient to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by the State Water Board.

    In the event of such termination, the Recipient agrees, upon demand, to immediately repay to the State Water Board an amount equal to the amount of Project Funds disbursed to the Recipient prior to such termination. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the Recipient to the date of full repayment by the Recipient.

44. TIMING. Time is of the essence. The Recipient must expeditiously proceed with and complete the Project. Failure to proceed according to the timelines set forth in this Agreement may require the Recipient to repay to the State Water Board all disbursed Project Funds.

45. TRAVEL AND PER DIEM. No work or travel outside the State of California is permitted under this Agreement unless the Division provides prior written authorization. No work or travel outside the United States of America is authorized. Failure to comply with this restriction may constitute an Event of Default and result in termination of this Agreement. Any reimbursement for necessary travel and per diem shall be set pursuant to and at rates not to exceed those set by the California Department of Human Resources at http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. as of the date costs are incurred by the Recipient.

46. UNDISBURSED FUNDS. The Recipient is not entitled to interest earned on undisbursed funds.

47. UNENFORCEABLE PROVISION; SEVERABILITY. In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

48. UNION ACTIVITIES: The Recipient hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Agreement. The Recipient certifies that none of the Project Funds will be used to assist, promote, or deter union organizing. If the Recipient incurs costs or makes expenditures to assist, promote, or deter union organizing, the Recipient will maintain records sufficient to show that no reimbursement from Project Funds has been sought for these costs and the Recipient shall provide those records to the Attorney General upon request.

49. VENUE. Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

50. WAIVER AND RIGHTS OF THE STATE WATER BOARD. Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

51. WATER CONSERVATION AND EFFICIENCY PROGRAMS: The Recipient acknowledges that it has appropriate water conservation and efficiency programs in place, and that this provision constitutes a condition of this Agreement. A web link with examples of water conservation and efficiency programs is available at: http://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/conservation.shtml.

52. WATER DIVERSION AND USE: To the extent applicable, the Recipient has complied with, and shall continue to comply with, the requirements of Water Code, division 2, part 5.1, section 5100 et seq. for filing statements of water diversion and use.

53. WITHHOLDING OF DISBURSEMENTS AND REIMBURSEMENTS. Notwithstanding any other provision of this Agreement, the State Water Board may withhold all or any portion of the Project Funds upon the occurrence of any of the following events:

    a) Failure of the Recipient to maintain reasonable progress on the Project as determined by the Division;

    b) Commencement of litigation or a judicial or administrative proceeding related to the Project, or Recipient that the State Water Board determines may impair the timely satisfaction of Recipient's obligations under this Agreement;

    c) Any investigation by State, local, or federal investigators or auditors, or a grand jury, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;

    d) A material adverse change in the condition of the Recipient, or the Project, that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement, or any other event that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement;

    e) The Recipient's material violation of, or threat to materially violate, any provision of this Agreement;

    f) Suspicion of fraud, forgery, embezzlement, theft, or any other misuse of public funds by the Recipient or its employees, or by its contractors or agents directly or indirectly regarding the Project;

    g) An event requiring notice under this Agreement; or

    h) An Event of Default or an event that the Division determines may become an Event of Default.

EXHIBIT D – SPECIAL CONDITIONS

D.1 DEFINITIONS.

Each capitalized term used in this Agreement has the following meaning:

- "Authorized Representative" means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient's authorizing resolution that designates the authorized representative by title.
- "Eligible Work Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which any costs may be incurred and eligible for reimbursement hereunder.
- "Enterprise Fund" means the enterprise fund of the Recipient in which Revenues are deposited.
- "Event of Default" means, in addition to the meanings set forth in Exhibit C, the occurrence of any of the following events:
    a) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
    b) The occurrence of a material breach or event of default under any Recipient obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption, or that the Division determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
- "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the Project (i.e., costs that are not directly related to the Project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Recipient; non-project-specific accounting and personnel services performed within the Recipient organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; generic overhead or markup; and taxes.
- "Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.
- "Operations and Maintenance Costs" means the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.
- "Policy" means the State Water Board's "Policy for Implementing the Clean Water State Revolving Fund," as amended from time to time, including the Intended Use Plan in effect as of the execution date of this Agreement.
- "Revenues" means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with GAAP, including all rates, fees, and charges (including connection fees and charges) as received by the Recipient for the services of the System, and all other income and revenue howsoever

derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient's behalf, and any refundable deposits made to establish credit, and advances or contributions in aid of construction.

- "System" means all wastewater collection, pumping, transport, treatment, storage, and disposal facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

D.2 ADDITIONAL REPRESENTATIONS AND WARRANTIES.

The Recipient represents, warrants, and covenants each of the following:

a) The Recipient has not made any untrue statement of a material fact in its application for this financial assistance or omitted to state in its application a material fact that makes the statements in its application not misleading.

b) The Recipient agrees to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for funding under this Agreement.

c) The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date of execution of this Agreement by the Recipient, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date of execution of this Agreement by the Recipient.

d) There are, as of the date of execution of this Agreement by the Recipient, no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency that materially affect the financial condition or operations of the Recipient, the Revenues, and/or the Project.

e) There are no proceedings, actions, or offers by a public entity to acquire by purchase or the power of eminent domain any of the real or personal property related to or necessary for the Project.

f) The Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient must at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. Within the preceding ten years, the Recipient has not failed to demonstrate compliance with state or federal audit disallowances.

g) Any financial statements or other financial documentation of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements or other financial documentation: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements or other financial documentation, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements or other financial documentation been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

h) The Recipient is current in its continuing disclosure obligations associated with its material debt, if any.

i) The Recipient has no conflicting or Material Obligations.

j) The Recipient has sufficient real or personal property rights necessary for the purposes of this Agreement, not subject to third party revocation, which rights extend at least to the Records Retention End Date of this Agreement, except as disclosed to the State Water Board. The Recipient has disclosed to the State Water Board all proceedings, actions, or offers of which the Recipient has knowledge or belief that may in any way affect the Recipient's ability to access or legally possess all of the property necessary for the purpose of this Agreement, including any proceedings, actions, or offers to lease, purchase, or acquire by eminent domain any of the real or personal property related to or necessary for the Project.

k) The Recipient and its principals, contractors, and subcontractors, to the best of the Recipient's knowledge and belief, are not presently debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized; nor have they engaged or permitted the performance of services covered by this Agreement from parties that are debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized.

D.3 ACKNOWLEDGEMENTS.

The Recipient must include the following acknowledgement in any document, written report, or brochure to be shared with the general public prepared in whole or in part pursuant to this Agreement:

- "Funding for this project has been provided in full or in part under the Clean Water State Revolving Fund, which may include capitalization funding from the United States Environmental Protection Agency through an agreement with the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use."

D.4 RATES, FEES, AND CHARGES.

The Recipient must, to the extent permitted by law, fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair, and nondiscriminatory and which will be sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs, and must ensure that Net Revenues are in an amount necessary to meet its obligations under this Agreement. The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees, and charges will at all times be sufficient to meet the requirements of this section.

D.5 ENVIRONMENTAL AND TECHNICAL SPECIAL CONDITIONS.

The Recipient agrees to the following environmental conditions:

- The Recipient shall submit all final California Environmental Quality Act (CEQA) documents and notices for the construction project to the Governor's Office of Planning and Research, State

Clearinghouse or coordinate with the CEQA lead agency to do so. A copy of all such CEQA documents and notices shall be submitted to the Division via the Financial Assistance Application Submittal Tool (FAAST).

- The Recipient shall submit to the Division a Biological Assessment Report or an updated previously prepared Biological Assessment Report for the construction project that meets the requirements of Section 7 of the Endangered Species Act (ESA) for the purposes of initiating consultation with the United States Fish and Wildlife Service and/or the National Marine Fisheries Service. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 7, ESA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- The Recipient shall submit to the Division a Historic Properties Identification Report (HPIR) for the construction project or an updated previously prepared HPIR, authored by a qualified archaeologist that meets the requirements of Section 106 of the National Historic Preservation Act (NHPA) for the purposes of initiating consultation with the Office of Historic Preservation. This condition applies to all projects that receive Clean Water State Revolving Fund funding and other projects at the discretion of the Division. For applicability of this condition and further guidance on Section 106, NHPA requirements contact Division's Environmental Review Staff and/or the Project Manager.

- During the term of this planning Agreement, the Recipient shall request approval of any change(s) to the Scope of Work of the construction project before making those changes. Thereafter, the Division shall notify the Recipient whether additional environmental review is necessary as a result of the change(s).

- The Recipient shall not initiate any ground disturbing/construction activities unless and until the environmental review process is complete and all applicable notices are filed by the Recipient in its capacity as the CEQA Lead Agency.

The Recipient agrees to the following technical condition:

- The Recipient shall not begin work on engineering design (beyond the 10% level), environmental documents, governance structure and agency agreements, easement identification, or permits and related studies until written authorization is given by the Division's Project Manager for each specific task. A selected construction project receiving such written authorization is referred to herein as the "Selected Construction Project". Authorization can be withheld at the discretion of the Division.

D.6 RETURN OF FUNDS.

Notwithstanding any other provision of this Agreement, if the Division determines that an Event of Default has occurred, the Recipient may be required, upon demand, to immediately return to the State Water Board any grant or principal forgiveness amounts received pursuant to this Agreement and pay interest at the highest legal rate on all of the foregoing.

D.7 INSURANCE.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient must begin such reconstruction, repair or replacement as expeditiously as possible, and must pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same must be completed and the System must be free and clear of all claims and liens.

D.8 NOTICE.

Upon the occurrence of any of the following events, the Recipient must notify the Division's Deputy Director and Party Contacts promptly by phone and email:

i. Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;

ii. Change of ownership of the Project (no change of ownership may occur without written consent of the Division);

iii. Loss, theft, damage, or impairment to Project;

iv. Events of Default, except as otherwise set forth in this section;

v. A proceeding or action by a public entity to acquire the Project by power of eminent domain.

vi. Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity or the Recipient's continued existence, or any judgment or court order relating to such litigation that has a material effect on the Project or the System;

vii. Consideration of dissolution, or disincorporation;

viii. Enforcement actions by or brought on behalf of the State Water Board or Regional Water Board.

ix. The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this funding, or in any certification, report, or request for reimbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;

x. Any substantial change in scope of the Project. The Recipient must undertake no substantial change in the scope of the Project until prompt written notice of the

proposed change has been provided to the Division and the Division has given written approval for the change;

xi. Any circumstance, combination of circumstances, or condition, which is expected to or does delay Work Completion for a period of ninety (90) days or more;

xii. The Recipient must promptly notify the Division and Party Contacts of the discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during implementation of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;

xiii. Any Project monitoring, demonstration, or other implementation activities required in this Agreement;

xiv. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state representatives with at least ten (10) working days' notice to the Division;

xv. Any event requiring notice to the Division pursuant to any other provision of this Agreement;

xvi. Work Completion, and Project Completion.

D.9 FRAUD, WASTE, AND ABUSE.

The Recipient shall prevent fraud, waste, and the abuse of Project Funds, and shall cooperate in any investigation of such activities that are suspected in connection with this Agreement. The Recipient understands that discovery of any evidence of misrepresentation or fraud related to Reimbursement Requests, invoices, proof of payment of invoices, or other supporting information, including but not limited to double or multiple billing for time, services, or any other eligible cost, may result in an administrative action by the State Water Board and/or referral to the Attorney General's Office or the applicable District Attorney's Office for appropriate action. The Recipient further understands that any suspected occurrences of false claims, misrepresentation, fraud, forgery, theft or any other misuse of Project Funds may result in withholding of reimbursements and/or the termination of this Agreement requiring the immediate repayment of all funds disbursed hereunder. A person who knowingly makes or causes to be made any false statement, material misrepresentation, or false certification in any submittal may be subject to a civil penalty, criminal fine, or imprisonment. (Wat. Code, § 13490 et seq.)

D.10 DISPUTES.

The Recipient must continue with the responsibilities under this Agreement during any dispute. The Recipient may, in writing, appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute. This provision does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final

the decision of the State Water Board, or any official or representative thereof, on any question of law. This section relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

D.11 EXECUTIVE ORDER N-6-22 — RUSSIAN SANCTIONS.

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State Water Board determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State Water Board shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State Water Board.

The Recipient represents that the Recipient is not a target of economic sanctions imposed in response to Russia's actions in Ukraine imposed by the United States government or the State of California. The Recipient is required to comply with the economic sanctions imposed in response to Russia's actions in Ukraine, including with respect to, but not limited to, the federal executive orders identified in California Executive Order N-6-22, located at https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf and the sanctions identified on the United States Department of the Treasury website (https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions). The Recipient is required to comply with all applicable reporting requirements regarding compliance with the economic sanctions, including, but not limited to, those reporting requirements set forth in California Executive Order N-6-22 for all Recipients with one or more agreements with the State of California with an aggregated value of Five Million Dollars ($5,000,000) or more. Notwithstanding any other provision in this Agreement, failure to comply with the economic sanctions and all applicable reporting requirements may result in termination of this Agreement.

For Recipients with an aggregated agreement value of Five Million Dollars ($5,000,000) or more with the State of California, reporting requirements include, but are not limited to, information related to steps taken in response to Russia's actions in Ukraine, including but not limited to:

1. Desisting from making any new investments or engaging in financial transactions with Russian institutions or companies that are headquartered or have their principal place of business in Russia;

2. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and

3. Direct support to the government and people of Ukraine.

D.12 STATE CROSS-CUTTERS.

Recipient represents that, as applicable, it complies and covenants to maintain compliance with the following with respect to all Project Costs for the term of this Agreement:

- The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.

- Water Conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.
- Monthly Water Diversion Reporting requirements, including requirements set forth in Water Code section 5103.
- Public Works Contractor Registration with Department of Industrial Relations requirements, including requirements set forth in Sections 1725.5 and 1771.1 of the Labor Code.
- Volumetric Pricing & Water Meters requirements, including the requirements of Water Code sections 526 and 527.
- Urban Water Management Plan requirements, including the Urban Water Management Planning Act (Water Code, § 10610 et seq.).
- Urban Water Demand Management requirements, including the requirements of Section 10608.56 of the Water Code.
- Delta Plan Consistency Findings requirements, including the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.
- Agricultural Water Management Plan Consistency requirements, including the requirements of Water Code section 10852.
- Charter City Project Labor Requirements, including the requirements of Labor Code section 1782 and Public Contract Code section 2503.
- The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with directives or orders issued pursuant to Division 7 of the Water Code.
- Regulations in Division 4 of Title 22 of the California Code of Regulations, including but not limited to California Waterworks Standards in Chapter 16, and Lead and Copper regulations in Chapter 17.5.

D.13 DAMAGES FOR BREACH OF FEDERAL CONDITIONS

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

D.14 ACCESS AND INSPECTION.

In addition to the obligations set forth in section 2 of the General Terms and Conditions incorporated in Exhibit C of this Agreement, the Recipient must ensure that the United States Environmental Protection Agency, the Office of Inspector General, any member of Congress, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during the term of the Agreement.

D.15 FINANCIAL MANAGEMENT SYSTEMS.

The Recipient must comply with federal standards for financial management systems. The Recipient agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit preparation of reports required by the federal government and tracking of Project funds to a level of expenditure adequate to establish that such funds have not been used in violation of federal or state law or the terms of this Agreement. To the extent applicable, the Recipient is bound by, and must comply with, the provisions and requirements of the federal Single Audit Act (SAA) of 1984, 2 CFR part 200, subpart F, and 2 CFR section 200.302, and updates or revisions, thereto, including but not limited to:

- Maintain an annual (Fiscal Year) accounting system and identify all expenditures of federal financial assistance;
- Conduct a SAA audit using an independent auditor in those Fiscal Years when expenditures of total federal financial assistance equal or exceed $750,000, and submit the SAA audit to the Federal Audit Clearinghouse within the earlier of thirty (30) calendar days after receipt of the auditor's report(s) or nine (9) months of the end of the audit period;
- Notify the Division when a SAA audit has been conducted and submitted to the Federal Audit Clearinghouse;
- Notify and provide the Division with a copy of the SAA audit within thirty (30) days of completion of the audit;
- Inform the Division of findings and recommendations pertaining to federal financial assistance provided through the State Water Board contained in SAA audits conducted by the Recipient;
- Initiate corrective actions for audit reports with findings and recommendations that impact federal financial assistance provided through the State Water Board and notify the Division when corrective actions are complete.

D.16 FEDERAL CROSS-CUTTERS.

The Recipient acknowledges, warrants compliance with, and covenants to continuing compliance with the following federal terms and conditions with respect to all Project Costs for the term of this Agreement:

i. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase "iron and steel products" produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all "iron and steel products" used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. "Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

ii. The Recipient does not anticipate any construction is necessary to complete the Project, and no construction activities may occur without the Division's approval. If the Project does include construction, the Recipient agrees to comply with the Davis-Bacon provisions, and must include in full the Wage Rate Requirements (Davis-Bacon) language provided by the Division in all construction contracts and subcontracts.

iii. The Recipient shall notify the State Water Board and the USEPA contact of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

iv. The Recipient shall comply with applicable USEPA general terms and conditions found at https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2022-or-later.

v. No Recipient may receive funding under this Agreement unless it has provided its Unique Entity Identifier, assigned by the System for Award management, to the State Water Board.

vi. The Recipient represents and warrants that it and its principals are not excluded or disqualified from participating in this transaction as such terms are defined in Parts 180 and 1532 of Title 2 of the Code of Federal Regulations (2 CFR). If the Recipient is excluded after execution of this Agreement, the Recipient shall notify the Division within ten (10) days and shall inform the Division of the Recipient's exclusion in any request for amendment of this Agreement. The Recipient shall comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR. Such compliance is a condition precedent to the State Water Board's performance of its obligations under this Agreement. When entering into a covered transaction as defined in Parts 180 and 1532 of 2 CFR, the Recipient shall require the other party to the covered transaction to comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR.

vii. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA's Final Financial Assistance Conflict of Interest Policy at https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy. A conflict of interest may result in disallowance of costs.

viii. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement.

ix. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural invention reporting system at http://iEdison.gov and shall notify the Division when an invention report, patent report, or utilization report is filed.

x. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the Acknowledgment statement set forth in Exhibit D.

xi. The Recipient acknowledges that it is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.

xii. The Recipient, its employees, contractors and subcontractors and their employees warrants that it will not engage in severe forms of trafficking in persons, procure a commercial sex act during the term of this Agreement, or use forced labor in the performance of this Agreement. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of

its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing.

xiii. The Recipient certifies to the best of its knowledge and belief that:

a. No federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions, and notify the State Water Board.

The Recipient shall require this certification from all parties to any contract or agreement that the Recipient enters into and under which the Recipient incurs costs for which it seeks reimbursement under this Agreement.

xiv. The Recipient must comply with the following federal non-discrimination requirements:

a. Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
b. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
c. The Age Discrimination Act of 1975, which prohibits age discrimination.
d. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
e. 40 CFR Part 7, as it relates to the foregoing.
f. Executive Order 13798, including, to the greatest extent practicable and to the extent permitted by law, the requirement to respect and protect the freedom of persons and organizations to engage in political and religious speech.
g. All applicable federal civil rights regulations, including statutory and national policy requirements (2 CFR section 200.300).

xv. If the Project relates to construction of a publicly owned treatment works, where the Recipient contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services, the Recipient shall ensure that any such contract is negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement as determined by the State Water Board.

xvi. Executive Order No. 11246. The Recipient shall include in its contracts and subcontracts related to the Project the following provisions:

"During the performance of this contract, the contractor agrees as follows:"(a) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following:

employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(d) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

"(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

"(g) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

xvii. The Recipient agrees to comply with the requirements of USEPA's Program for Utilization of Small, Minority and Women's Business Enterprises.

xviii. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368. Except where the purpose of this Agreement is to remedy the cause of the

violation, the Recipient may not procure goods, services, or materials from suppliers excluded under the federal System for Award Management: sam.gov

xix. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655. The Recipient must comply with the Act's implementing regulations at 49 CFR 24.101 through 24.105.

xx. The Recipient agrees that if its network or information system is connected to USEPA networks to transfer data using systems other than the Environmental Information Exchange Network or USEPA's Central Data Exchange, it will ensure that any connections are secure.

xxi. All geospatial data created pursuant to this Agreement that is submitted to the State Water Board for use by USEPA or that is submitted directly to USEPA must be consistent with Federal Geographic Data Committee endorsed standards. Information on these standards may be found at www.fgdc.gov.

xxii. If the Recipient is a water system that serves 500 or fewer persons, the Recipient represents that it has considered publicly-owned wells as an alternative drinking water supply.

xxiii. The Recipient represents that it is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.

xxiv. The Recipient agrees to immediately notify the Project Manager in writing about any allegation of research misconduct involving research activities that are supported in whole or in part with USEPA funds under this Project, including fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results, or ordering, advising, or suggesting that subordinates engage in research misconduct.

xxv. The Recipient agrees to comply with, and require all contractors and subcontractors to comply with, USEPA's Scientific Integrity Policy, available at https://www.epa.gov/osa/policy-epa-scientific-integrity, when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this condition scientific activities include, but are not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue.

The Recipient shall not suppress, alter, or otherwise impede the timely release of scientific findings or conclusions; intimidate or coerce scientists to alter scientific data, findings, or professional opinions or exert non-scientific influence on scientific advisory boards; knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty; or otherwise violate the USEPA's Scientific Integrity Policy. The Recipient must refrain from acts of research misconduct, including publication or reporting, as described in USEPA's Policy and Procedures for Addressing Research Misconduct, Section 9.C, and must ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by contractors and subcontractors.

xxvi. The Recipient agrees to comply with the Animal Welfare Act of 1966 (7 USC 2131-2156). Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training," available at http://grants.nih.gov/grants/olaw/references/phspol.htm#USGovPrinciples.

xxvii. The Recipient certifies that no Project Funds will be used on:

a. Video surveillance or telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
b. Telecommunications or video surveillance services produced by such entities;
c. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country; or
d. Other telecommunications or video surveillance services or equipment in violation of 2 CFR 200.216.

County of Monterey

Board Report

Legistar File Number: 25-604

Item No.46

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

August 26, 2025

Introduced: 8/22/2025
Version: 1

Current Status: Agenda Ready
Matter Type: General Agenda Item

Addenda/Supplemental

Revised Title and Report for Item No. 12 under Scheduled Matters
Added Attachment Titled "Board Report" to Item No. 12 under Scheduled Matters
Added Attachment Titled "Ordinance No. 5423" to Item No. 12 under Scheduled Matters
Added Attachment Titled "Resolution No. 24-236 - Calling for Election" to Item No. 12 under Scheduled Matters
Added Attachment Titled "Resolution No. 24-337 - FY2024-25 Budget Priorities" to Item No. 12 under Scheduled Matters
Added Attachment Titled "Public Opinion Poll Results" to Item No. 12 under Scheduled Matters

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MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN COUNTY OF MONTEREY, SAN BENITO COUNTY, AND THE COALITION OF HOMELESS SERVICES PROVIDERS (CHSP)

March 27, 2024

I. RECITALS

WHEREAS the County of Monterey is responsible for a range of activities relating to homelessness response within the county, managed through the County Administrative Office, Department of Social Services, Health Department, Behavioral Health Bureau, and Department of Housing and Community Development; and

WHEREAS San Benito County is responsible for a range of activities relating to homelessness response within the county, managed through the Health and Human Services Agency (HHSA); and

WHEREAS the Coalition of Homeless Services Providers (CHSP) is the lead entity responsible for coordinating the regional Continuum of Care (CoC) for Monterey and San Benito Counties (CA-506) and for convening the CoC Leadership Board and subcommittees; and

WHEREAS the CoC, County of Monterey, and San Benito County ("eligible applicants") are each recipient of Homeless Housing, Assistance and Prevention (HHAP) funding from the State of California; requiring the creation of an MOU between the three eligible applicants (as per State Assembly Bill 129); and

WHEREAS all eligible applicants adopted the Lead Me Home 5-Year Plan to Reduce Homelessness in Monterey and San Benito Counties (July 2021 to June 2026); and

WHEREAS the eligible applicants recognize that each entity has distinct responsibilities for addressing homelessness but also many overlapping and shared responsibilities; and

WHEREAS the eligible applicants recognize that each entity receives and manages distinct funding sources that together support the strategies identified in the Lead Me Home Plan;

NOW IN CONSIDERATION OF THESE PREMISES, THE PARTIES AGREE AS FOLLOWS:

II. PURPOSE

The purpose of this MOU is to commit each signatory to uphold, participate in, and comply with the actions, roles, and responsibilities of each of the eligible applicants in the region as described in the HHAP-5 Regionally Coordinated Homelessness Action Plan and summarized below.

III. ROLES AND RESPONSIBILITIES OF THE MONTEREY AND SAN BENITO COUNTY CONTINUUM OF CARE (CA-506)

A. The signatories commit to the roles and responsibilities of each eligible applicant within the region as they pertain to outreach and site coordination, siting and use of available public land, the development of interim and permanent housing options, and coordinating, connecting, and delivering services to individuals experiencing homelessness or at risk of experiencing homelessness,

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within the region, as described in Section 2.1 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

B. The signatories commit to the Key Actions each eligible applicant will take to improve the system performance measures as described in Section 2.2 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

C. The signatories commit to the Key Actions each eligible applicant will take to ensure racial and gender equity in service delivery, housing placements, housing retention, and any other means to affirm equitable access to housing and services for racial and ethnic groups overrepresented among residents experiencing homelessness, as described in Section 2.3 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

D. The signatories commit to the actions each eligible applicant will take to reduce homelessness among individuals exiting institutional settings, including but not limited to jails, prisons, hospitals, and any other institutions such as foster care, behavioral health facilities, etc. as applicable in the region, as described in Section 2.4 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

E. The signatories commit to the roles of each eligible applicant in the utilization of local, state, and federal funding programs to end homelessness, as described in Section 2.5 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

F. The signatories commit to the roles and responsibilities of each eligible applicant to connect individuals to wrap-around services from all eligible federal, state, and local benefit programs, as described in Section 2.6 in the HHAP-5 Regionally Coordinated Homelessness Action Plan.

IV. DURATION AND RENEWAL

The initial term of this MOU is March 27, 2024 to June 30, 2028. Except as provided in the TERMINATION section, this MOU shall renew automatically unless either party gives notification pursuant to TERMINATION section.

V. AMENDMENT/NOTICES

The MOU may be amended in writing by any of the signatories and is in effect upon the signature of all three eligible applicants. Notices shall be mailed, emailed, or delivered to HHAP administrators for eligible entities for:

1. CA-506 Salinas/Monterey, San Benito Counties Continuum of Care
2. County of Monterey
3. San Benito County

VI. TERMINATION

Any of the signatories may terminate this MOU at a date prior to the renewal date specified in the MOU by giving 120 days written notice to the other parties. The termination shall be effective on the date specified in the notice of termination.

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APPROVED:

County of San Benito

DocuSigned by:
By: Tracey Belton
6AEA5E7EDF0F41E...
Tracey Belton, Director or HHSA

Date: 3/20/2024 | 2:11 PM PDT

APPROVED:

County of Monterey

DocuSigned by:
By: Lori A. Medina
DF0279504487 49D...
Lori A. Medina, Director of DSS

Date: 3/25/2024 | 12:24 PM PDT

Coalition of Homeless Service Providers

DocuSigned by:
By: Katrina Mckenzie
37A6ED8488E34AC...
Katrina McKenzie, Executive Director

Date: 3/18/2024 | 9:35 AM PDT

APPROVED AS TO LEGAL FORM:
Irma Valencia, San Benito County Deputy Counsel

DocuSigned by:
By: Irma Valencia
EB0FDEFEC79E4C0...

Date: 3/18/2024 | 10:18 AM PDT

APPROVED AS TO LEGAL FORM:
County of Monterey Deputy Counsel

DocuSigned by:
By:
07025F3AA36B4A4...

Date: 3/6/2024 | 11:40 PM PST

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DIR Project Registration # _ _ _ _ _ _
ENGIE Services Project #: CN-001318
ENGIE Services Contract # R 3652

ENERGY SERVICES CONTRACT

This **ENERGY SERVICES CONTRACT** (this "Contract") is made and entered into as of December 3,2024 (the "Contract Effective Date") by and between **ENGIE Services U.S. Inc.**, a Delaware corporation, with California State Contractor's License Number 995037 ("ENGIE Services U.S."), and **the County of Monterey** ("County" and together with ENGIE Services U.S. the "Parties" and each of County and ENGIE Services U.S. a "Party").

CONTRACT RECITALS

WHEREAS, County owns and/or operates certain public facilities specifically described in Attachment A (the "Facilities") and County wishes to reduce the Facilities' energy consumption and costs and improve the Facilities' energy quality and reliability; and

WHEREAS, ENGIE Services U.S. is a full-service energy services company with the technical capabilities to provide services to County including identifying supply-side and/or demand-side energy conservation measures ("ECMs"), engineering, procurement, construction management, installation, construction and training; and

WHEREAS, ENGIE Services U.S. has identified potential energy and operational savings opportunities at County's Facilities and estimated program costs to implement the ECMs and presented an overall potential energy cost and consumption savings for implementing the ECMs; and

WHEREAS, pursuant to California Government Code §4217.12, County held a regularly scheduled public hearing on [●], of which two weeks advance public notice was given regarding this Contract and its subject matter, and

WHEREAS, County has determined that the anticipated cost to County to implement the ECMs will be less than the anticipated cost to County for thermal, electrical, and other energy, together with anticipated operational, maintenance and other costs, that would have been consumed by County in the absence of the ECMs in compliance with California Government Code §§4217.10 through 4217.18; and

WHEREAS, County has determined that entering into this energy services contract to implement the ECMs is in the best interests of County and that California Government Code §4217.10 *et seq.* allows County to enter into this Contract; and

WHEREAS**,** by adoption of Resolution No. _____ at the above-referenced meeting, County approved this Contract and authorized its execution.

NOW, THEREFORE, County and ENGIE Services U.S. hereby agree as follows:

ARTICLE 1. DEFINITIONS

For purposes of this Contract and its Attachments, defined terms will have the following meanings:

"**Abnormally Severe Weather Conditions**" means typhoons, hurricanes, tornadoes, lightning storms and other climatic and weather conditions that are abnormally severe for the period of time when, and the area where, such storms or conditions occur, in each case occurring at a property, the access roads to a property, or any other location where Work or Professional Services are then being performed. The term "Abnormally Severe Weather Conditions" specifically includes rain, snow or sleet in excess of one hundred fifty percent (150%) of the median level over the preceding ten (10) year period for the local geographic area and time of year in which such rain, snow or sleet accumulates.

"**Act**" is defined in ARTICLE 14.

"**ADA**" means the Americans With Disabilities Act.

"**Affiliate**" means any Person that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Person specified. For purposes of this definition, control of a Person means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person whether by contract or otherwise; ownership of fifty percent (50%) or more of the voting securities of another Person creates a rebuttable presumption that such Person controls such other Person.

"**Applicable Law**" means any statute, law, treaty, building code, rule, regulation, ordinance, code, enactment, injunction, writ, order, decision, authorization, judgment, decree, protocol, procedure or other legal or regulatory

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determination or restriction by a court or Governmental Authority of competent jurisdiction, as may be in effect at the time the Work or Professional Services are undertaken.

"**Applicable Permits**" means all permits, approvals, inspections and certifications required to be issued by any Governmental Authority in connection with the Professional Services or the building, installation and start-up of the Work as of the Contract Effective Date.

"**Application for Payment**" means a monthly progress payment as described in Section 8.01 or an invoice for materials stored off-site as described in Section 8.02.

"**Arbitral Panel**" is defined in Section 19.04(ii).

"**Arbitration Rules**" is defined in Section 19.04(ii).

"**Attachment**" means the following attachments to this Contract, each of which is an "Attachment:"

Attachment A	County's Facilities and Existing Equipment
Attachment B	Standards of Occupancy and Control
Attachment C	Scope of Work
Attachment D	Scope of Monitoring Installation
Attachment E	Solar Production Guarantee
Attachment F	Maintenance Services
Attachment G	Schedule of Values

"**Beneficial Use**" means when major new equipment and systems included in the Scope of Work are properly installed, inspected, operational, and are capable of being used for their intended purpose. Criteria for Beneficial Use of equipment / systems will be established as defined in Attachment C.

"**Business Day**" means any calendar day other than a Saturday, a Sunday or a calendar day on which banking institutions in San Francisco, California, are authorized or obligated by law or executive order to be closed.

"**CEQA**" means the California Environmental Quality Act, codified at California Public Resource Code § 21000 *et seq.*, and the applicable state and local guidelines promulgated thereunder.

"**Certificate of Beneficial Use**" means the certificate, issued by ENGIE Services U.S. to County and subcontractor(s), which identifies when County took Beneficial Use of the Work or any portion thereof. A Certificate of Beneficial Use may be executed for an individual subcontract, a specific building, a portion of the Work, or the entire Work.

"**Certificate of Final Completion**" means the certificate issued by ENGIE Services U.S. to County, in accordance with Section 6.03. A Certificate of Final Completion may be executed for an individual subcontract, a specific building, a portion of the Work, or the entire Work.

"**Certificate of Substantial Completion**" means the certificate issued by ENGIE Services U.S. to County, in accordance with Section 6.02. A Certificate of Substantial Completion may be executed for an individual subcontract, a specific building, a portion of the Work, or the entire Work.

"**Change**" means any addition to, deletion from, suspension of, or other modification to the quality, function, or intent of the Work or Professional Services.

"**Change in Law**" means any of the following events or circumstances occurring after the Contract Effective Date: (i) an amendment, modification, interpretation, construction, enforcement standard, supplement or other change in or repeal of an existing Applicable Law; or (ii) an enactment or making of a new Applicable Law (excluding a change in any income or franchise tax law, worker's compensation, payroll or withholding tax law, but including any change in law imposing new or additional tariffs or import duties).

"**Change Order**" means a written document, signed by both ENGIE Services U.S. and County, authorizing ENGIE Services U.S. to perform a Change. The Change Order modifies the Scope of Work and should identify: (i) the applicable Change; (ii) any additional compensation to be paid to ENGIE Services U.S. to perform such Change; and (iii) any extension of time to complete the Project.

"**Construction**" means any and all Work to be performed that involves construction, alteration, repair, installation or removal of equipment, addition to, subtraction from, improving, moving, wrecking or demolishing any building, parking facility, excavation, or other structure or improvement, or any part thereof.

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"**Construction Documents**" means the final designs, drawings, specifications and submittals that are used for Construction, and any Change Orders affecting those documents, that describe the technical requirements for the installation of all the materials and equipment pursuant to this Contract.

"**Construction Period**" means the period beginning with the first day of the month in which material or equipment is first installed at the Facilities and continuing until the M&V Commencement Date.

"**Contract**" is defined in the Preamble, and includes all Attachments hereto (all of which are incorporated herein by this reference), as well as all Change Orders, amendments, restatements, supplements and other modifications hereto.

"**Contract Amount**" means Eight Million Five Hundred Thirty-Nine Thousand Seven Hundred Dollars ($8,539,700.00), which is inclusive of the mobilization payment, as set forth in Section 8.01, but exclusive of any fees for Professional Services.

"**Contract Bonds**" is defined in Section 12.02.

"**Contract Effective Date**" is defined in the Preamble.

"**County**" is defined in the Preamble.

"**County Persons**" means County, its agents, employees, subcontractors, architects, general contractors, lease/leaseback contractors or other Persons responsible for managing this Energy Services Contract.

"**Delay**" means any circumstances involving delay, disruption, hindrance or interference affecting the time of performance of the Work or the Professional Services.

"**Dispute**" is defined in Section 19.02.

"**DOE Guidelines**" is defined in Section 13.01.

"**ECM**" is defined in the Recitals.

"**Education Services**" (if any) are defined in Attachment G.

"**Energy Delivery Point**" means, for each Generating Facility, the point at which Utility meter energy is being delivered, as designated in the Interconnection Agreement.

"**Energy Usage Data**" is defined in Section 2.05.

"**ENGIE Services U.S.**" is defined in the Preamble.

"**ENGIE Services U.S. Warranty**" is defined in Section 9.01.

"**Event of Default**" is defined in ARTICLE 16.

"**Excusable Event**" means an act, event, occurrence, condition or cause beyond the control of ENGIE Services U.S., including, but not limited to, the following: (i) any act or failure to act of, or other Delay caused by any County Person; (ii) the failure to obtain, or delay in obtaining, any Interconnection Agreement, Applicable Permit, or approval of a Governmental Authority (including due to failure to make timely inspection), or Delays caused by Changes and/or modifications to the Scope of Work required by a Governmental Authority, other than a failure caused by the action or inaction of ENGIE Services U.S.; (iii) changes in the design, scope or schedule of the Work required by any Governmental Authority or County Person; (iv) undisclosed or unforeseen conditions encountered at the Project Location, including discovery or existence of Hazardous Substances; (v) the failure to obtain, or delay in obtaining, approval of any Governmental Authority for design and installation of any portion of the Work, including any further or subsequent approval required with respect to any Change, other than a failure caused by the action or inaction of ENGIE Services U.S.; (vi) information provided to ENGIE Services U.S. by any County Person or Utility is later found to be inaccurate or incomplete; (vii) any Change in Law; (viii) Delay caused by pending arbitration; (ix) acts of God; (x) acts of the public enemy or terrorist acts; (xi) relocation or construction of transmission facilities or the shutdown of such facilities for the purpose of necessary repairs; (xii) work by Utility; (xiii) flood, earthquake, tornado, storm, fire, explosions, lightning, landslide or similar cataclysmic occurrence; (xiv) sabotage, vandalism, riots or civil disobedience; (xv) labor disputes or strikes; (xvi) labor or material shortages; material delay in manufacturing and/or deliveries of equipment or supply chain disruptions; each to the extent outside of ENGIE Services U.S.'s control; (xvii) Abnormally Severe Weather Conditions; (xviii) an annual level of direct beam solar resource availability that is less than or equal to 90% of historical averages as measured by long-term weather data (minimum 5 years) collected at the applicable Facility and/or other reliable calibrated and appropriate weather station representative of such Facility; (xix) requirement by Utility that any Generating Facility discontinue operation; (xx) any action by a Governmental Authority that prevents or inhibits the Parties from carrying out their respective obligations under this Contract (including an unstayed order of a court or administrative agency having the effect of subjecting the sales of energy output to federal or state regulation of prices and/or services); (xxi) any Utility power outage at a Facility;

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(xxii) damage to any equipment or other Work installed by ENGIE Services U.S. caused by the act or omission of any County Person; or (xxiii) regional epidemic or global pandemic.

"**Facilities**" is defined in the Recitals.

"**Final Completion**" means the stage in the progress of the Work at which the Construction Work as identified in the Scope of Work, or a designated portion thereof, has been completed and commissioned, including completion of all Punch List items, completion of all required training, and delivery to County of the final documentation (as-built drawings, operation and maintenance manuals, warranty documentation and final submittals).

"**Generating Facility**" means each of the photovoltaic, solar powered generating facilities located at the sites listed in Attachment E, and includes all associated photovoltaic panels, mounting assemblies, inverters, converters, metering, lighting fixtures, transformers, ballasts, disconnects, combiners, switches, wires and other equipment that may be necessary to connect the Generating Facility to the applicable Energy Delivery Point.

"**Governmental Authority**" means any federal, state, regional, town, county, city, municipal or local government agency, department or regulatory body having jurisdiction under Applicable Law over the matter in question.

"**Greenhouse Gas**" is defined in Section 13.01.

"**Hazardous Substances**" means (i) any hazardous, toxic, or dangerous wastes, substances, chemicals, constituents, contaminants, pollutants, and materials and any other carcinogenic, liquids, corrosive, ignitable, radioactive, reactive, toxic, or otherwise hazardous substances or mixtures (whether solids, liquids, gases) now or at any time subject to regulation, control, remediation, or otherwise addressed under Applicable Laws; (ii) any "hazardous substance" as defined by the Resource, Conservation and Recovery Act of 1976 (42 U.S.C. §6901 *et seq.*), as amended, and regulations promulgated thereunder; (iii) any "hazardous, toxic or dangerous waste, substance or material" specifically defined as such in 42 U.S.C. §9601 *et seq.*), as amended and regulations promulgated thereunder; and (iv) any hazardous, toxic or dangerous waste, substance, or material as defined in any so-called "superfund" or "superlien" law.

"**Incentive Funds**" is defined in Section 8.06.

"**Installation**" means the setting up, construction, and placement of any equipment or materials in the manner it will be operated, in accordance with the Scope of Work and in accordance with all Applicable Laws.

"**Instruments of Service**" is defined in Section 10.01(c).

"**Interconnection Agreement**" means the Interconnection Agreement to be entered into between County and the Utility with respect to the Generating Facilities.

"**Interconnection Facilities**" is defined in Section 18.02.

"**Interest**" means interest calculated at the lesser of (i) the prime rate plus two percent (2%) or (ii) the maximum rate permitted by Applicable Law. The "prime rate" will be the "Prime Rate" of interest per annum for domestic banks as published in The Wall Street Journal in the "Money Rates" section.

"**Losses**" is defined in Section 11.01.

"**M&V Commencement Date**" means the first day of the month immediately following the later of (i) ENGIE Services U.S.'s receipt of the fully signed Certificate of Final Completion, and (ii) ENGIE Services U.S.'s receipt of the full Contract Amount.

"**M&V Services**" (if any) are defined in Attachment E.

"**Maintenance Services**" (if any) are defined in Attachment F.

"**Measurement Period**" means each one-year period following the M&V Commencement Date.

"**NEC**" means the National Electric Code.

"**Notice to Proceed**" is defined in Section 2.04.

"**Party**" and "**Parties**" are defined in the Preamble.

"**Person**" means any natural person, corporation, general partnership, limited partnership, limited liability company, proprietorship, other business organization, trust, union, association or Governmental Authority.

"**Professional Services**" means professional services (such as Education Services, Maintenance Services and M&V Services, if any) provided by ENGIE Services U.S. to County under this Contract.

"**Project**" means the entirety of Work to be performed by ENGIE Services U.S. pursuant to the Scope of Work, and any Change Orders.

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"**Project Location**" means the area or areas where the Project materials and equipment and any other energy related equipment, as described in the Scope of Work, are installed, and the general area where the Work is performed.

"**Punch List**" means, with respect to any portion of the Work, a list of minor corrective items which need to be completed or corrected in order to complete such portion of the Work, but do not impair County's ability to beneficially operate and utilize such portion of the Work.

"**Retained Items**" is defined in Section 10.02.

"**Retention**" is defined in Section 8.03.

"**Schedule of Values**" is defined in Section 8.01.

"**Scope of Work**" means the Work set forth in Attachments C and D, as modified by any Change Order.

"**Substantial Completion**" means the stage in the progress of the Work at which the Work, or a designated portion thereof, is sufficiently complete, in conformance with the Scope of Work, the Construction Documents and any Change Orders, so that County can take Beneficial Use thereof.

"**Surety**" means the surety supplying the Contract Bonds, which must be an "admitted surety insurer," as defined by California Code of Civil Procedure §995.120, authorized to do business in the State of California, and reasonably satisfactory to County.

"**Utility**" is defined in Section 18.02.

"**Work**" means the Work to be done by ENGIE Services U.S. pursuant to the Scope of Work, subject to any Change Orders.

ARTICLE 2. TERM; PERFORMANCE OF THE WORK

Section 2.01 Contract Term. The term of this Contract commences on the Contract Effective Date and ends on the last day on which Professional Services are provided, unless terminated earlier as provided in this Contract.

Section 2.02 Performance of Work. The Work and Professional Services to be performed hereunder will be provided in accordance with the terms of this Contract and the applicable standard of care. ENGIE Services U.S. will perform its obligations under this Contract (i) using the degree of skill and care that is required by current, good and sound professional procedures and practices, and (ii) in conformance with (x) generally accepted professional standards prevailing at the time the Work is performed, (y) the covenants, terms and conditions of this Contract, and (z) applicable laws, codes, rules and regulations, including, without limitation, the applicable provisions of the California Building Code. ENGIE Services U.S. represents and warrants that it is fully experienced in projects of the nature and scope of the Work and Professional Services, and that it is properly qualified, licensed and equipped to supply and perform the Work and Professional Services. The Work completed herein will be subject to County's general right of inspection and supervision to secure the satisfactory completion thereof in accordance with this Contract.

Section 2.03 Scope of Work.

(a) The Scope of Work may not exceed that set forth in Attachments C and D, except pursuant to a Change Order.

(b) The Professional Services may not exceed those set forth in Attachments E, F and G, except pursuant to a Change Order.

Section 2.04 Notice to Proceed. Within ten (10) days after the Contract Effective Date and provided ENGIE Services U.S. has furnished proof of having met the requirements set forth in Section 12.01 and section 12.04, County will issue to ENGIE Services U.S. a written Notice to Proceed ("Notice to Proceed"). ENGIE Services U.S. will begin Work within thirty (30) calendar days after ENGIE Services U.S.'s receipt of the Notice to Proceed. If County fails to issue the Notice to Proceed within twenty (20) calendar days after the Contract Effective Date, ENGIE Services U.S. will be entitled to an equitable extension of time and/or an equitable adjustment in the Contract Amount as a result of such delay.

Section 2.05 Project Schedule. After receipt of the Notice to Proceed, ENGIE Services U.S. will develop, with input from County, a master Project Schedule using Microsoft Project®. The Project Schedule shall be based on Critical Path Methodology (CPM) and include sufficient detail to reflect all elements of the project scope and all phases of the work (e.g., development, design, permitting, construction, etc.). County will have ten (10) calendar days following receipt of the project schedule to provide input. The project schedule shall be agreed to by the County and serve as the baseline for the project. The project schedule shall be agreed to by the County and serve as the baseline for the project. ENGIE Services U.S. will establish a weekly project meeting at which time the Work of the previous week will be reviewed and a two-week look ahead will be coordinated. The project schedule will be updated every other week to indicate status and completed tasks. If project delays occur that impact the Project Schedule and any of its identified critical paths and/or phases of work, regardless of whether the delays are caused by an Excusable Event, ENGIE

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Services U.S. within seven (7) calendar days shall in writing (i) notify the County of the delay; (ii) identify the nature and extent of the delay and its impact on the Project Schedule; (iii) provide an updated Project Schedule; and (iv) identify what, if any, corrective steps shall be taken to mitigate the delay impact on the overall Project Schedule.

Section 2.06 County's Energy and Operational Records and Data. If ENGIE Services U.S. requests, County will provide to ENGIE Services U.S., within thirty (30) calendar days after such request, County's Energy Usage Data for the twelve (12) months preceding the Contract Effective Date, and will make commercially reasonable efforts to provide the Energy Usage Data for the thirty-six (36) months preceding the Contract Effective Date. "Energy Usage Data" means all of County's records and complete data concerning energy usage, energy-related maintenance, and other related costs for the Facilities, and including, without limitation, utility records; occupancy information; descriptions of any past, present or anticipated changes in a building's structure or its heating, cooling, lighting or other systems or energy requirements; descriptions of all energy consuming or saving equipment used in the Facilities; applicable building drawings, specifications, existing AutoCAD files, operation and maintenance manuals, and as-builts; bills and records relating to operation and maintenance of systems and equipment within the Facilities, and a description of operation and management procedures currently utilized. County agrees that ENGIE Services U.S. may rely on the foregoing data as being accurate in all respects. If ENGIE Services U.S. requests, County will also provide to ENGIE Services U.S., within thirty (30) calendar days after such request, any prior energy audits of the Facilities, and copies of County's financial statements and records related to energy usage and operational costs for said time period at the Facilities, and will authorize its agents and employees to provide and freely discuss such records and to make themselves available for consultations and discussions with authorized representatives, employees, subcontractors, and agents of ENGIE Services U.S.

Section 2.07 *Reserved.*

Section 2.08 Proof of Financial Arrangements. Prior to the commencement of the Work, County will provide ENGIE Services U.S. proof that financial arrangements have been made to fulfill County's obligations under this Contract. County's requirement to furnish such proof to ENGIE Services U.S. is a condition precedent to commencement of the Work. After commencement of the Work, ENGIE Services U.S. may request such proof if (i) County fails to make payments to ENGIE Services U.S. as this Contract requires; (ii) a Change in the Work materially changes the Contract Amount; or (iii) ENGIE Services U.S. has other reasonable concerns regarding County's ability to fulfill its payment obligations under this Contract when due. County will furnish such proof as a condition precedent to commencement or continuation of the Work or the portion of the Work affected by a material change. After County furnishes any such proof, County will not materially vary such financial arrangements without prior consent of ENGIE Services U.S. If County fails to provide ENGIE Services U.S. with such proof within ten (10) calendar days of receiving a demand from ENGIE Services U.S., ENGIE Services U.S. will be entitled to suspend its performance under this Contract until such proof is received.

ARTICLE 3. PROJECT IMPLEMENTATION - GENERAL

Section 3.01 Registrations, Permits and Approvals.

(a) Prior to issuing the Notice to Proceed, County must register the Project with the California Department of Industrial Relations, using Form PWC-100.

(b) ENGIE Services U.S. is responsible for obtaining (but not paying for) all Applicable Permits required under this Contract. County will cooperate fully with and assist ENGIE Services U.S. in obtaining Applicable Permits.

(c) County is responsible for paying for all permit fees (including expedited plan check fees), inspections, and certifications costs, including any additional work that may be required by the Authority(ies) Having Jurisdiction as part of the permitting process.

(d) County is responsible for hiring and paying for all inspectors, site testing (including geotechnical observations) and laboratory testing.

(e) County is responsible for paying for all utility interconnection(s) costs, including any additional work that may be required by the Utility(ies) as part of the Interconnection Agreement(s).

(f) County is responsible for obtaining and paying for any annual operating permits and approvals or exemptions required by CEQA, as applicable.

Section 3.02 Coordination. County will be responsible for coordinating the activities of ENGIE Services U.S. and ENGIE Services U.S.'s subcontractors and suppliers with those of County Persons.

Section 3.03 Project Meetings/Status Updates. During the course of the Work, ENGIE Services U.S. will periodically meet with County to report on the general status and progress of the Work. ENGIE Services U.S. may (but is not required to) make food and beverage items of nominal value available to County and County's employees and agents at such meetings, which if offered will be deemed part of the Scope of Work and included in the Contract Amount.

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Section 3.04 Project Location Access. County hereby grants to ENGIE Services U.S., without cost to ENGIE Services U.S., all rights of ingress and egress at the Project Location, necessary for ENGIE Services U.S. to perform the Work and provide all services contemplated by this Contract. ENGIE Services U.S. will provide twenty-four-hour advance notice to County for access to any County Facilities. All persons entering the Project Location, including County and its employees and agents, must follow ENGIE Services U.S.'s safety procedures. ENGIE Services U.S. may (but is not required to) make transportation available to County and County's employees and agents between and within Project Locations, which if offered will be deemed part of the Scope of Work and included in the Contract Amount.

Section 3.05 Consents; Cooperation. Whenever a Party's consent, approval, satisfaction, or determination will be required or permitted under this Contract, and this Contract does not expressly state that the Party may act in its sole discretion, such consent, approval, satisfaction, or determination will not be unreasonably withheld, qualified, conditioned, or delayed, whether or not such a "reasonableness" standard is expressly stated in this Contract. Whenever a Party's cooperation is required for the other Party to carry out its obligations hereunder, each Party agrees that it will act in good faith and reasonably in so cooperating with the other Party or its designated representatives or assignees or subcontractors. Each Party will furnish decisions, information, and approvals required by this Contract in a timely manner so as not to delay the other Party's performance under this Contract.

Section 3.06 Independent Contractor. The Parties hereto agree that ENGIE Services U.S., and any agents and employees of ENGIE Services U.S., its subcontractors and/or consultants, is acting in an independent capacity in the performance of this Contract, and not as a public official, officer, employee, consultant, or agent of County for purposes of conflict of interest laws or any other Applicable Law.

ARTICLE 4. FINAL DESIGN PHASE – CONSTRUCTION DOCUMENTS / EQUIPMENT PROCUREMENT

Section 4.01 General Provisions.

(a) After receipt of the Notice to Proceed, ENGIE Services U.S. will proceed with the preparation of any necessary designs, drawings, and specifications related to the Scope of Work.

(b) After completion of the design phase and approval of the final plans and specifications by County, ENGIE Services U.S. will order the equipment identified in the Scope of Work, and any other necessary materials and supplies in order to meet the project schedule.

(c) County will designate a single-point representative with whom ENGIE Services U.S. may consult on a reasonable, regular basis and who is authorized to act on County's behalf with respect to the Project design. County's representative will render decisions in a timely manner with regard to any documents submitted by ENGIE Services U.S. and to other requests made by ENGIE Services U.S. in order to avoid delay in the orderly and sequential progress of ENGIE Services U.S.'s design services.

(d) Within ten (10) Business Days after ENGIE Services U.S.'s request, County will:

(i) furnish all surveys or other information in County's possession that describe the physical characteristics, legal limitations, and utility locations in and around the Project Location;

(ii) disclose any prior environmental review documentation and all information in its possession concerning subsurface conditions, including without limitation the existence of any known Hazardous Substances, in or around the general area of the Project Location;

(iii) supply ENGIE Services U.S. with all relevant information in County's possession, including any as-built drawings and photographs, of prior construction undertaken at the Project Location;

(iv) obtain any and all easements, zoning variances, planning approvals, including any resolution of any environmental impact issues, and any other legal authorization regarding utilization of the Project Location for the execution of the Work; and

(v) obtain any and all title reports for those Project Locations reasonably requested by ENGIE Services U.S.

(e) All information furnished pursuant to this Section 4.01 will be supplied at County's expense, and ENGIE Services U.S. will be entitled to rely upon the accuracy and completeness of all information provided. If ENGIE Services U.S. is adversely affected by any failure to provide, or delay in providing, the information specified in Section 4.01(d), ENGIE Services U.S. will be entitled to an equitable extension of time and/or an equitable adjustment in the Contract Amount.

(f) If any information disclosed under this Section 4.01 gives rise to a Change to the Work or an Excusable Event, ENGIE Services U.S. will notify County. The Parties will meet and confer with respect to those Changes, and ENGIE Services U.S. will be entitled to an equitable extension of time and/or an equitable adjustment in the Contract Amount. If the Parties, however, are unable to agree on whether County's disclosed information gives

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rise to a Change to the Work or an Excusable Event, those disputes are to be resolved in accordance with ARTICLE 19.

(g) ENGIE Services U.S. contemplates that it will not encounter any Hazardous Substances at the Project Location, except as has been disclosed as a pre-existing condition by County prior to the Contract Effective Date. However, any disclosure of Hazardous Substances that will affect the performance of the Work after the Contract Effective Date will constitute a valid basis for a Change Order.

Section 4.02 Review of Construction Documents. ENGIE Services U.S. will prepare and submit all drawings and specifications to County for review. County will review the documents and provide any comments in writing to ENGIE Services U.S. within ten (10) Business Days after receipt of the documents. ENGIE Services U.S. will incorporate appropriate County comments into the applicable drawings and specifications. ENGIE Services U.S. reserves the right to issue the drawings and specifications in phases to allow Construction to be performed in phases. If County fails to provide written comments within the ten (10) Business Day period, County will be deemed to have no comments regarding the documents.

Section 4.03 Permits. The respective obligations of the Parties in obtaining inspections and permits are as specified in Section 3.01. County will agree to any nonmaterial changes to the designs, drawings, and specifications required by any Governmental Authority. The Contract Amount must be increased by any additional cost incurred by ENGIE Services U.S. due to a Change required by a Governmental Authority and the time required to complete the Work must be increased by the number of additional days required to complete the Work because of a Change imposed by a Governmental Authority.

Section 4.04 Changes During Final Design Phase. If during the design phase an Excusable Event occurs, ENGIE Services U.S. shall have the right to submit a Change Order Request for an equitable extension of time and/or an equitable adjustment in the Contract Amount.

ARTICLE 5. CONSTRUCTION PHASE

Section 5.01 General Provisions. Upon securing the requisite Applicable Permits pursuant to Section 3.01, and completion of Construction Documents, ENGIE Services U.S. will commence the construction of the Project in accordance with the Construction Documents. The construction will be performed in accordance with all Applicable Laws and Applicable Permits, by ENGIE Services U.S. and/or one or more licensed subcontractors qualified to perform the Work.

Section 5.02 ENGIE Services U.S.'s Responsibilities during Construction Phase.

(a) As an independent contractor to County, ENGIE Services U.S. will provide, or cause to be provided by its subcontractor(s), all labor, materials, equipment, tools, transportation, and other facilities and services necessary for the proper execution, construction, and completion of the Work. ENGIE Services U.S. will purchase in advance all necessary materials and supplies for the construction of the Project in order to assure the prompt and timely delivery of the completed Work pursuant to the project schedule. ENGIE Services U.S. will also be responsible for all means, methods, techniques, sequences, and procedures required by the Construction Documents.

(b) ENGIE Services U.S. will make commercially reasonable efforts to coordinate construction activities and perform the Work to minimize disruption to County's operations at the Project Location. ENGIE Services U.S. will provide at least fifteen (15) calendar days' written notice to County of any planned power outages that will be necessary for the construction. ENGIE Services U.S. will cooperate with County in scheduling such outages, and County agrees to provide its reasonable approval of any scheduled outage.

(c) ENGIE Services U.S. will initiate and maintain a safety program in connection with its Construction of the Project. ENGIE Services U.S. will take reasonable precautions for the safety of, and will provide reasonable protection to prevent damage, injury, or loss to: (i) employees of ENGIE Services U.S. and subcontractors performing Work under this Contract; (ii) ENGIE Services U.S.'s property and other materials to be incorporated into the Project, under the care, custody, and control of ENGIE Services U.S. or its subcontractors; and (iii) other property at or adjacent to the Project Location not designated for removal, relocation, or replacement during the course of construction. ENGIE Services U.S. will not be responsible for County's employees' safety unless ENGIE Services U.S.'s negligence in the performance of its Work is the proximate cause of the employee's injury.

(d) ENGIE Services U.S. will provide notice to County of scheduled test(s) of installed equipment, if any, and County and/or its designees will have the right to be present at any or all such tests conducted by ENGIE Services U.S., any subcontractor, and/or manufacturers of the equipment.

(e) Pursuant to California Labor Code §6705, if the Work is a public work involving an estimated expenditure in excess of $25,000 and includes the excavation of any trench or trenches five (5) feet or more in depth, ENGIE Services U.S. will, in advance of excavation, submit to County and/or a registered civil or structural engineer,

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employed by County, to whom authority to accept has been delegated, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches, which provisions will be no less effective than the current and applicable CAL-OSHA Construction Safety Orders. No excavation of such trench or trenches may be commenced until this detailed plan has been accepted by County or by the person to whom authority to accept has been delegated by County. Pursuant to California Labor Code §6705, nothing in this Section 5.02(e) imposes tort liability on County or any of its employees.

(f) Pursuant to California Public Contract Code §7104, if the Work is a public work involving digging trenches or other excavations that extend deeper than four (4) feet below the surface of the ground:

(i) ENGIE Services U.S. will promptly, and before the following conditions are disturbed, notify County, in writing, of any:

1) Material that ENGIE Services U.S. believes may be material that is hazardous waste, as defined in California Health and Safety Code §25117, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law;
2) Subsurface or latent physical conditions at the site differing from those indicated by information about the site made available to ENGIE Services U.S. before the Contract Effective Date;
3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Contract.

(ii) County will promptly investigate the conditions and, if it finds that the conditions do materially so differ or do involve hazardous waste, and cause a decrease or increase in ENGIE Services U.S.'s cost of, or the time required for, performance of any part of the Work will issue a Change Order under the procedures described in this Contract.

(iii) If a dispute arises between County and ENGIE Services U.S., whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in ENGIE Services U.S.'s cost of, or time required for, performance of any part of the Work, ENGIE Services U.S. will not be excused from any scheduled completion date provided for by this Contract but will proceed with all Work to be performed under this Contract. ENGIE Services U.S. will retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the Parties.

Section 5.03 County's Responsibilities during Construction Phase.

(a) County will designate a single-point representative authorized to act on County's behalf with respect to Project construction and/or equipment installation. County may from time to time change the designated representative and will provide written notice to ENGIE Services U.S. of such change. Any independent review of the construction will be undertaken at County's sole expense, and will be performed in a timely manner so as to not unreasonably delay the orderly progress of ENGIE Services U.S.'s Work.

(b) County will provide a temporary staging area for ENGIE Services U.S., or its subcontractors, to use during the construction phase to store and assemble equipment for completion of the Work, if needed. County will provide sufficient space at the Facilities for the performance of the Work and the storage, installation, and operation of any equipment and materials and will take reasonable steps to protect any such equipment and materials from harm, theft and misuse. County will provide access to the Facilities, including parking permits and identification tags, for ENGIE Services U.S. and subcontractors to perform the Work during regular business hours, or such other reasonable hours as may be requested by ENGIE Services U.S. and acceptable to County. County will also either provide a set or sets of keys to ENGIE Services U.S. and its subcontractors (signed out per County policy) or provide a readily available security escort to unlock and lock doors. County will not unreasonably restrict ENGIE Services U.S.'s access to Facilities to make emergency repairs or corrections as ENGIE Services U.S. may determine are needed.

(c) County will maintain the portion of the Project Location that is not directly affected by ENGIE Services U.S.'s Work. County will keep the designated Project Location and staging area for the Project free of obstructions, waste, and materials within the control of County.

(d) County will obtain any required environmental clearance from, and any inspections, including special inspections, or permits required by, any federal, state, and local jurisdictions, including but not limited to any clearances required under CEQA, prior to scheduled construction start date.

(e) County will prepare the Project Location for construction, including, but not limited to, clearance of all above and below ground obstructions, such as vegetation, buildings, appurtenances, and utilities. Subsurface conditions and obstacles (buried pipe, utilities, etc.) that are not otherwise previously and accurately documented by

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County and such documentation made available to ENGIE Services U.S. are the responsibility of County. If ENGIE Services U.S. encounters such unforeseen conditions in the performance of the Work, ENGIE Services U.S. will be entitled to an equitable extension of time and/or an equitable adjustment in the Contract Amount.

(f) County will remove any Hazardous Substances either known to County prior to the commencement of the Work or encountered by ENGIE Services U.S. during the construction of the Project, if necessary in order for the Work to progress safely, that were not knowingly released or brought to the site by ENGIE Services U.S. ENGIE Services U.S. will respond to the discovery of Hazardous Substances at or around the Project Location during the course of ENGIE Services U.S.'s construction in accordance with Section 5.06.

(g) County will coordinate the Work to be performed by ENGIE Services U.S. with its own operations and with any other construction project that is ongoing at or around the Project Location, with the exception that ENGIE Services U.S. will coordinate the Interconnection Facilities work, if any, which will be performed by the local utility.

(h) County will, and will cause County Persons to, allow ENGIE Services U.S. and its subcontractors access to and reasonable use of necessary quantities of County's water and other utilities, including electrical power, as needed for the construction of the Work, at no cost to ENGIE Services U.S.

(i) County will, and will cause County Persons to, provide ENGIE Services U.S. and/or its subcontractors with reasonable access to the Project Location to perform the Work, including without limitation and at no extra cost to ENGIE Services U.S., access to perform Work on Saturdays, Sundays, legal holidays, and non-regular working hours.

(j) County will also do the following:

(i) Attend the regularly scheduled progress meetings. Participate as needed regarding scheduling of the Work.

(ii) When requested by ENGIE Services U.S., participate in the job inspection walk-through with ENGIE Services U.S. to determine Substantial Completion or Beneficial Use of major equipment, and will sign the Certificate(s) of Substantial Completion.

(iii) Perform a final walk-through of the Project and, upon receipt of the operation and maintenance manuals and as-built drawings, sign the Certificate of Final Completion for the related Work.

(iv) Upon the completion of the entire Scope of Work listed in Attachment C, including training, if any, and submission of close-out documents, sign a Certificate of Final Completion for the entire Project.

Section 5.04 Changes.

(a) Change Orders Generally. Changes and/or modifications to the Scope of Work will be authorized by a written Change Order. The Change Order should state the change and/or modification to the Scope of Work, any additional compensation to be paid, and any applicable extension of time. ENGIE Services U.S. may, at its election, suspend performance of that portion of the Work affected by any proposed Change until a written Change Order with respect to the Changed or modified Work has been signed by both County and ENGIE Services U.S. ENGIE Services U.S. will use its reasonable efforts to continue other portions of the Work not affected or impacted by such proposed Change until such time as the applicable Change Order is resolved. In addition, if any County Person requests a proposal from ENGIE Services U.S. for a Change and County subsequently elects to not proceed with such Change, County agrees that a Change Order will be issued to reimburse ENGIE Services U.S. for any costs reasonably incurred for estimating services, design services, and/or preparation of the proposal requested by such County Person.

(b) Change Orders Requiring Additional Compensation. If during construction any County Person requests changes and/or modifications to the Work, and/or there are Excusable Events, ENGIE Services U.S. shall have the right to submit a Change Order Request for the extra costs caused by such modifications and/or changes and/or Excusable Event. ENGIE Services U.S. will be entitled to submit a Change Order Request for additional compensation. Notwithstanding the foregoing, if there are unforeseen site conditions resulting in an increase in costs that are not related to inspections, testing, or ADA work, ENGIE Services U.S. shall not be entitled to additional compensation unless and until such costs exceed Three Hundred Twenty Thousand Seven Hundred and Six Dollars ($320,706.00). ENGIE Services U.S. shall track all increased costs related to the unforeseen site conditions subject to this restriction by submitting Change Order Requests, as necessary, but such Change Order Requests shall not result in a Change Order until the costs exceed the amount set forth in the preceeding sentence. For the avoidance of doubt, all costs in excess of such amount shall be subject to the standard Change Order procedure and may entitle ENGIE Services U.S. to a Change Order for increased compensation.

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(c) Change Orders Requiring Additional Time. If during construction any County Person requests changes and/or modifications to the Scope of Work and/or an Excusable Event occurs, the Parties agree that an equitable extension of time to complete the Work may be necessary. Prior to any extension of time, ENGIE Services U.S. will use commercially reasonable efforts to make up such delays, including authorizing overtime payments; *provided* that County has issued a Change Order authorizing any such overtime payment and has specifically agreed to pay all costs, including administrative charges and expenses, associated therewith.

(d) Method for Adjustment. An increase or decrease in the Contract Amount and/or time resulting from a Change in the Work and/or Excusable Event must be determined by one or more of the following methods:

(i) unit prices set forth in this Contract or as subsequently agreed;

(ii) a mutually accepted, itemized lump sum; or

(iii) costs calculated on a basis agreed upon by County and ENGIE Services U.S. plus a fee (either a lump sum or a fee based on a percentage of cost) to which the Parties agree.

(e) Disagreements. If there is a disagreement between County and ENGIE Services U.S. as to whether ENGIE Services U.S. is entitled to an equitable extension of time and/or an equitable adjustment in the Contract Amount, those disputes are to be resolved in accordance with the provisions of ARTICLE 19. Pending the resolution of any such dispute, ENGIE Services U.S. may suspend Work.

Section 5.05 Minor Changes to Scope of Work. ENGIE Services U.S. has the authority to make minor changes that do not change the total Contract Amount and are consistent with the intent of the Construction Documents, without prior notice to County. ENGIE Services U.S. will either promptly inform County, in writing, of any minor changes made during the implementation of the Project, or make available to County at the site a set of as-built drawings that will be kept current to show those minor changes.

Section 5.06 Hazardous Substances.

(a) ENGIE Services U.S. will promptly provide written notice to County if ENGIE Services U.S. observes any Hazardous Substance, as defined herein, at or around the Facilities during the course of construction or installation of any equipment which have not been addressed as part of the Scope of Work. ENGIE Services U.S. will have no obligation to investigate the Facilities for the presence of Hazardous Substances prior to commencement of the Work unless otherwise specified in the Scope of Work. County will be solely responsible for investigating Hazardous Substances and determining the appropriate removal and remediation measures with respect to the Hazardous Substances. County will comply with all Applicable Laws with respect to the identification, removal and proper disposal of any Hazardous Substances known or discovered at or around the Facilities, and in such connection will execute all generator manifests with respect thereto. ENGIE Services U.S. will comply with all Applicable Laws in connection with the use, handling, and disposal of any Hazardous Substances in the performance of its Work. In connection with the foregoing, County will provide ENGIE Services U.S., within ten (10) Business Days after the Contract Effective Date, a written statement that represents and warrants (i) whether or not, to its knowledge, there are Hazardous Substances either on or within the walls, ceiling or other structural components, or otherwise located in the Project Location, including, but not limited to, asbestos-containing materials; (ii) whether or not, to its knowledge, conditions or situations exist at the Facilities which are subject to special precautions or equipment required by federal, state, or local health or safety regulations; and (iii) whether or not, to its knowledge, there are unsafe working conditions at the Facilities.

(b) County will indemnify, defend, and hold ENGIE Services U.S. harmless from and against any and all Losses that in any way result from, or arise under, such County owned or generated Hazardous Substances, except for liabilities to the extent due to the negligence or willful misconduct of ENGIE Services U.S., or its subcontractors, agents or representatives, in the handling, disturbance or release of Hazardous Substances. This indemnification will survive any termination of this Contract.

Section 5.07 Pre-Existing Conditions. Certain pre-existing conditions may be present within the Facilities that (i) are non-compliant with applicable codes, (ii) may become non-compliant with applicable codes upon completion of ENGIE Services U.S.'s Work, (iii) may cause ENGIE Services U.S.'s completed Work to be non-compliant with applicable codes, (iv) may prevent County from realizing the full benefits of ENGIE Services U.S.'s Work, (v) may present a safety or equipment hazard, or (vi) are otherwise outside the scope of ENGIE Services U.S.'s Work. Regardless of whether or not such conditions may have been readily identifiable prior to the commencement of Work, ENGIE Services U.S. will not be responsible for repairing such pre-existing conditions unless such responsibility is expressly provided for in the Scope of Work or an approved Change Order. ENGIE Services U.S., in its sole discretion, may determine whether it will bring said pre-existing conditions into compliance by agreeing to execute a Change Order with County for additional compensation and, if appropriate, an extension of time.

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ARTICLE 6. PROJECT COMPLETION

Section 6.01 Occupancy or Use of Work. County may take occupancy or use of any completed or partially completed portion of the Work at any stage, whether or not such portion is Substantially Complete, *provided* that such occupancy or use is authorized by Governmental Authority and, *provided further*, that County assumes responsibility for the security of, insurance coverage for, maintenance, utilities for, and damage to or destruction of such portion of the Work. If Substantial Completion of a portion of the Construction Work is not yet achieved, occupancy or use of such portion of the Work will not commence until County's insurance company has consented to such occupancy or use. When occupancy or use of a portion of the Work occurs before Substantial Completion of such portion, County and ENGIE Services U.S. will accept in writing the responsibilities assigned to each of them for title to materials and equipment, payments and Retention with respect to such portion.

Section 6.02 Substantial Completion. When ENGIE Services U.S. considers the Work, or any portion thereof, to be Substantially Complete, ENGIE Services U.S. will supply to County a written Certificate of Substantial Completion with respect to such portion of the Work, including a Punch List of items and the time for their completion or correction. County will within ten (10) Business Days of receipt of the Certificate of Substantial Completion, review such portion of the Work for the sole purpose of determining that it is Substantially Complete, and sign and return the Certificate of Substantial Completion to ENGIE Services U.S. acknowledging and agreeing: (i) that such portion of the Work is Substantially Complete; (ii) the date of such Substantial Completion; (iii) that from the date of Substantial Completion County will assume responsibility for the security of, insurance coverage for, maintenance, utilities for, and damage to or destruction of such portion of the Work. County agrees that approval of a Certificate of Substantial Completion will not be unreasonably withheld, delayed or conditioned.

Section 6.03 Final Completion. When ENGIE Services U.S. considers the entirety of the Work to be Finally Complete, ENGIE Services U.S. will notify County that the Work is fully complete and ready for final inspection. County will inspect the Work to verify the status of Final Completion within ten (10) Business Days after its receipt of ENGIE Services U.S.'s certification that the Work is complete. If County does not verify the Final Completion of the Work within this period, the Work will be deemed fully completed. When County agrees that the Work is fully completed, ENGIE Services U.S. will issue a Certificate of Final Completion, which County must sign. County agrees that its signing of the Certificate of Final Completion will not be unreasonably withheld, delayed or conditioned. At that time, County will pay ENGIE Services U.S. any remaining Contract Amount due and any outstanding Retention being withheld by County, in accordance with Section 8.03. County may give ENGIE Services U.S. written notice of acceptance of the Work and will promptly record a notice of completion or notice of acceptance in the office of the county recorder in accordance with California Civil Code §9204.

Section 6.04 Transfer of Title; Risk of Loss. Title to all or a portion of the Project equipment, supplies and other components of the Construction Work will pass to County upon the earlier of (i) the date payment for such Project equipment, supplies or components is made by County or (ii) the date any such items are incorporated into the Project Location. ENGIE Services U.S. will retain care, custody and control and risk of loss of such Project equipment, supplies and components until the earlier of Beneficial Use or Substantial Completion. Transfer of title to County will in no way affect County's and ENGIE Services U.S.'s rights and obligations as set forth in other provisions of this Contract. Except as provided in this Section 6.04, after the date of Substantial Completion, ENGIE Services U.S. will have no further obligations or liabilities to County arising out of or relating to this Contract, except for the obligation to complete any Punch List items, the obligation to perform any warranty service under Section 9.01, and obligations which, pursuant to their terms, survive the termination of this Contract.

ARTICLE 7. SUBCONTRACTORS

Section 7.01 Authority to Subcontract. ENGIE Services U.S. may delegate its duties and performance under this Contract, and has the right to enter into agreements with any subcontractors and other service or material providers as ENGIE Services U.S. may select in its discretion to perform the Work. ENGIE Services U.S. will not be required to enter into any subcontracts with parties whom ENGIE Services U.S. has not selected or subcontractors whom ENGIE Services U.S. has objection to using.

Section 7.02 Prompt Payment of Subcontractors. ENGIE Services U.S. will promptly pay, when due, all amounts payable for labor and materials furnished in the performance of this Contract and will endeavor to prevent any lien or other claim under any provision of Applicable Law from arising against any County property, against ENGIE Services U.S.'s rights to payments hereunder, or against County.

Section 7.03 Relationship. Nothing in this Contract constitutes or will be deemed to constitute a contractual relationship between any of ENGIE Services U.S.'s subcontractors and County, or any obligation on the part of County to pay any sums to any of ENGIE Services U.S.'s subcontractors.

Section 7.04 Prevailing Wages. To the extent required by California Labor Code §1771 or other Applicable Law, all employees of ENGIE Services U.S. and ENGIE Services U.S.'s subcontractors performing Work at the Project Location will be paid the per diem prevailing wages for the employee's job classification in the locality in which the Work is performed. In accordance with California Labor Code §§1773 and 1773.2, County will obtain from the Director of

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Industrial Relations the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work, in the locality in which the Work is to be performed, for each craft, classification or type of worker needed to execute the Work at the Project Location, and will cause copies of such determinations to be kept on file at its principal office and posted at each Project Location. County will promptly notify ENGIE Services U.S. of any changes to any such prevailing wage determination.

ARTICLE 8. PAYMENTS

Section 8.01 Monthly Progress Payments. Promptly after receipt of County's Notice to Proceed, ENGIE Services U.S. will invoice County for a mobilization payment in the amount of One Million Eighty-Nine Thousand Seven Hundred Six Dollars Three Million Four Hundred Three Thousand Seven Hundred Eighty Dollars ($1,089,706.00). This amount must be paid to ENGIE Services U.S. within forty five (45) calendar days after County's receipt of an invoice therefor. County acknowledges that prior to the Contract Effective Date, ENGIE Services U.S. procured solar panels on County's behalf to be installed at the Project Locations. Immediately upon the Contract Effective Date, ENGIE Services U.S. will invoice County for an additional Six Hundred Eighteen Thousand Two Hundred Thirty-Four Dollars ($618,234.00) ("IRA Safe Harbor Payment"). The IRA Safe Harbor Payment must be paid to ENGIE Services U.S. no later than December 31, 2024. Title to the equipment will pass to County upon payment in full of the IRA Safe Harbor Payment invoice. In addition, as the Work progresses, ENGIE Services U.S. will submit to County its applications for monthly payments based on the progress made on the Project through the date on which ENGIE Services U.S. submits such Application for Payment. A schedule of values apportioned to the various divisions or phases of the Work ("Schedule of Values") is attached hereto as Attachment G. Each line item contained in the Schedule of Values will be assigned a value such that the total of all items equals the Contract Amount. All Applications for Payment will be in accordance with the Schedule of Values.

Section 8.02 Materials Stored Off-Site. In addition to the monthly progress payments specified in Section 8.01, ENGIE Services U.S. may invoice County for materials purchased in advance and not stored at the Project Location. Each such Application for Payment will be accompanied by proof of off-site material purchases, including quantities and model numbers, evidence that the materials have been delivered to a warehouse reasonably acceptable to County and evidence of appropriate insurance coverage. ENGIE Services U.S. will furnish to County written consent from the Surety approving the advance payment for materials stored off site. County will pre-pay one hundred percent (100%) of ENGIE Services U.S.'s Application for Payment for the materials delivered, less Retention as indicated in Section 8.03. ENGIE Services U.S. will protect stored materials from damage. Damaged materials, even though paid for, will not be incorporated into the Work.

Section 8.03 Retention. County, or its designee, must approve and pay each Application for Payment, less a retention amount ("Retention") of five percent (5%) in accordance with California Public Contract Code §7201, within forty-five (45) calendar days after its receipt of the Application for Payment; *provided, however,* that there is to be no Retention with respect to the mobilization payment or the IRA Safe Harbor Payment. A failure to approve and pay an Application for Payment in a timely manner is a material default by County under this Contract. County may make progress payments in full without Retention at any time after fifty percent (50%) of the Work has been completed, as permitted pursuant to California Public Contract Code §9203. Upon Substantial Completion, the Retention must be reduced to two percent (2%) of the Contract Amount, and ENGIE Services U.S. may invoice and County will pay this amount. County will pay ENGIE Services U.S. the remaining two percent (2%) Retention amount upon achieving Final Completion. In lieu of Retention being held by County, ENGIE Services U.S. may request that securities be substituted or Retention be held in an escrow account pursuant to California Public Contract Code §22300.

Section 8.04 Final Payment. The final Application for Payment may be submitted after Final Completion. The final payment amount must also include payment to ENGIE Services U.S. for any remaining Retention withheld by County, which shall be paid within sixty (60) days of receipt of the final Application for Payment.

Section 8.05 Disputed Invoices/Late Payments. County may in good faith dispute any Application for Payment, or part thereof, within fifteen (15) calendar days after the date the Application for Payment was received by County. If County disputes all or a portion of any Application for Payment, County will pay the undisputed portion when due and provide ENGIE Services U.S. a written notice and explanation of the basis for the dispute and the amount of the Application for Payment being withheld related to the dispute. County will be deemed to have waived and released any dispute known to it with respect to an Application for Payment if such notice and written explanation is not provided within fifteen (15) calendar days after the date the Application for Payment was received by County. If any amount disputed by County is finally determined to be due to ENGIE Services U.S., either by agreement between the Parties or as a result of dispute resolution pursuant to ARTICLE 19 below, it will be paid to ENGIE Services U.S. within ten (10) Business Days after such final determination, plus Interest from the date billed or claimed until such amount is paid. . Late payments will accrue Interest from the due date until paid.

Section 8.06 Rebate Programs. ENGIE Services U.S. makes no guarantee that County will receive funding from any energy efficiency rebate, incentive, and/or loan program(s), including the Inflation Reduction Act (collectively, "Incentive Funds), or any portion thereof; ENGIE Services U.S. expressly disclaims any liability for County's failure to receive any portion of the Incentive Funds, and County acknowledges and agrees that ENGIE Services U.S. will have no

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liability for any failure to receive all or any portion of the Incentive Funds. Procurement, or lack thereof, of the Incentive Funds will not alter the Contract Amount of this Contract or the payment timeline associated with payment of the Contract Amount.

ARTICLE 9. WARRANTY / LIMITATION OF LIABILITY

EXCEPT FOR THE WARRANTIES PROVIDED IN THIS ARTICLE 9, ENGIE SERVICES U.S. MAKES NO WARRANTIES IN CONNECTION WITH THE WORK PROVIDED UNDER THIS CONTRACT, WHETHER EXPRESS OR IMPLIED IN LAW, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ANY IMPLIED WARRANTIES AGAINST INTELLECTUAL PROPERTY INFRINGEMENT. COUNTY WILL HAVE NO REMEDIES AGAINST EITHER ENGIE SERVICES U.S. OR ANY ENGIE SERVICES U.S. SUBCONTRACTOR OR VENDOR FOR ANY DEFECTIVE MATERIALS OR EQUIPMENT INSTALLED, EXCEPT FOR THE REPAIR OR REPLACEMENT OF SUCH MATERIALS OR EQUIPMENT IN ACCORDANCE WITH THE WARRANTIES INDICATED BELOW. SPECIFICALLY, NEITHER ENGIE SERVICES U.S., NOR ENGIE SERVICES U.S.'s SUBCONTRACTORS OR VENDORS, WILL BE LIABLE TO COUNTY FOR LOSS OF PROFITS OR FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY.

Section 9.01 ENGIE Services U.S. warrants to County that material and equipment furnished under this Contract will be of good quality and new, unless otherwise specifically required or permitted by this Contract. ENGIE Services U.S. further warrants that its workmanship provided hereunder, including its subcontractors' workmanship, will be free of material defects for a period of one (1) year from the date of Substantial Completion as indicated on the executed Certificate of Substantial Completion, or the date of Beneficial Use as indicated on the executed Certificate of Beneficial Use ("ENGIE Services U.S. Warranty"). Notwithstanding the preceding sentence, the date the ENGIE Services U.S. Warranty commences with respect to a specific piece or pieces of equipment may be further defined in Attachment C.

Section 9.02 Equipment and material warranties that exceed the ENGIE Services U.S. Warranty period will be provided directly by the equipment and/or material manufacturers and such warranties will be assigned directly to County, after the one (1) year period. During the ENGIE Services U.S. Warranty period, ENGIE Services U.S. will be County's agent in working with the equipment and material manufacturers in resolving any equipment or material warranty issues. If any material defects are discovered within the ENGIE Services U.S. Warranty period, ENGIE Services U.S., or ENGIE Services U.S.'s subcontractors, will correct its defects, and/or ENGIE Services U.S. will work with the equipment or material manufacturer as County's agent to facilitate the manufacturer's correction of the equipment or material defect. Such warranty services will be performed in a timely manner and at the reasonable convenience of County. If a warranty issue arises on any equipment or material installed after the ENGIE Services U.S. Warranty period, and the equipment or material has a warranty period that exceeds one (1) year, County will contact the manufacturer directly to resolve such warranty issues and County acknowledges that the manufacturer will have sole responsibility for such issues.

Section 9.03 The warranties in this ARTICLE 9 expressly exclude any remedy for damage or defect caused by improper or inadequate maintenance of the installed equipment by service providers other than ENGIE Services U.S. or its subcontractors, corrosion, erosion, deterioration, abuse, modifications or repairs not performed by an authorized ENGIE Services U.S. subcontractor, improper use or operation, or normal wear and tear under normal usage. ENGIE Services U.S. shall not be responsible for the cost of correcting a breach of warranty or defect to the extent that the manufacturer of the equipment that is the subject of a warranty hereunder does not honor its equipment warranty as a result of its termination of operations, insolvency, liquidation, bankruptcy or similar occurrence. Unless otherwise specified, all warranties hereunder, including without limitation those for defects, whether latent or patent, in design, engineering, or construction, will terminate one (1) year from the date of Substantial Completion or Beneficial Use; and thereafter, ENGIE Services U.S. will have no liability for breach of any warranty or for any latent or patent defect of any kind pursuant to California Code of Civil Procedure §§337.1 and 337.15.

Section 9.04 County and ENGIE Services U.S. have discussed the risks and rewards associated with this Project, as well as the Contract Amount to be paid to ENGIE Services U.S. for performance of the Work. County and ENGIE Services U.S. agree to allocate certain of the risks so that, to the fullest extent permitted by Applicable Law, ENGIE Services U.S.'s total aggregate liability to County and all third parties is limited to the Contract Amount for any and all injuries, damages, claims, losses, expenses, or claim expenses (including attorney's fees) arising out of this Contract from any cause or causes. Such causes include, but are not limited to, negligence, errors, omissions, strict liability, breach of contract, or breach of warranty.

ARTICLE 10. OWNERSHIP OF CERTAIN PROPERTY AND EXISTING EQUIPMENT

Section 10.01 Ownership of Certain Proprietary Property Rights.

(a) Ownership: Except as expressly provided in this Contract, County will not acquire, by virtue of this Contract, any rights or interest in any formulas, patterns, devices, software, inventions or processes, copyrights, patents, trade secrets, other intellectual property rights, or similar items of property which are or may be used in connection

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with the Work. ENGIE Services U.S. will own all inventions, improvements, technical data, models, processes, methods, and information and all other work products developed or used in connection with the Work, including all intellectual property rights therein.

(b) License: Solely in connection with the Facilities, ENGIE Services U.S. grants to County a limited, perpetual, royalty-free, non-transferrable license for any ENGIE Services U.S. intellectual property rights necessary for County to operate, maintain, and repair any modifications or additions to Facilities, or equipment delivered, as a part of the Work.

(c) Ownership and Use of Instruments of Service. All data, reports, proposals, plans, specifications, flow sheets, drawings, and other products of the Work (the "Instruments of Service") furnished directly or indirectly, in writing or otherwise, to County by ENGIE Services U.S. under this Contract will remain ENGIE Services U.S.'s property and may be used by County only for the Work. ENGIE Services U.S. will be deemed the author and owner of such Instruments of Service and will retain all common law, statutory and other reserved rights, including copyrights. The Instruments of Service may not be used by County or any County Person for future additions or alterations to the Project or for other projects, without the prior written agreement of ENGIE Services U.S. Any unauthorized use of the Instruments of Service will be at County's sole risk and without liability to ENGIE Services U.S. If County uses the Instruments of Service for implementation purposes, including additions to or completion of the Project, without the written permission of ENGIE Services U.S., County agrees to waive and release, and indemnify and hold harmless, ENGIE Services U.S., its subcontractors, and their directors, employees, subcontractors, and agents from any and all Losses associated with or resulting from such use.

Section 10.02 Ownership of any Existing Equipment. Ownership of any equipment and materials presently existing at the Facilities on the Contract Effective Date will remain the property of County even if such equipment or materials are replaced or their operation made unnecessary by work performed by ENGIE Services U.S. If applicable, ENGIE Services U.S. will advise County in writing of all equipment and materials that will be replaced at the Facilities and County will, within five (5) Business Days of ENGIE Services U.S.'s notice, designate in writing to ENGIE Services U.S. which replaced equipment and materials should not be disposed of off-site by ENGIE Services U.S. (the "Retained Items"). County will be responsible for and designate the location and storage for the Retained Items. ENGIE Services U.S. will be responsible for the disposal of replaced equipment and materials, except for the Retained Items. ENGIE Services U.S. will use commercially reasonable efforts to remove the Retained Items in such a manner as to avoid damage thereto, or if it is unreasonable to avoid damage altogether, to minimize the damage done. ENGIE Services U.S. will not be responsible for the removal and/or disposal of any Hazardous Substances except as required by the Scope of Work.

ARTICLE 11. INDEMNIFICATION / LIMITATION ON LIABILITY

Section 11.01 Indemnification. To the fullest extent permitted by Applicable Laws, each Party will indemnify, hold harmless, release and defend the other Party, its officers, employees, and agents from and against any and all actions, claims, demands, damages, disabilities, fines, penalties, losses, costs, expenses (including consultants' and attorneys' fees and other defense expenses) and liabilities of any nature ("Losses") that may be asserted by any person or entity, to the extent arising out of that Party's performance or activities hereunder, including the performance or activities of other persons employed or utilized by that Party in the performance of this Contract, excepting liabilities to the extent due to the negligence or willful misconduct of the indemnified party. This indemnification obligation will continue to bind the Parties after the termination of this Contract. This Agreement shall in no way act to abrogate or waive any immunities available to County under the Tort Claims Act of the State of California or California Government Code section 810 et seq.

Section 11.02 Waiver of Consequential Damages and Limitation of Liability. The liability of a defaulting Party will be limited to direct, actual damages. Neither Party shall be liable to the other Party for any special, indirect, incidental or consequential damages whatsoever, whether in contract, tort (including negligence) or strict liability, including, but not limited to, operational losses in the performance of business such as lost profits or revenues or any increase in operating expense.

ARTICLE 12. INSURANCE / BONDS

Section 12.01 ENGIE Services U.S. Insurance. ENGIE Services U.S. will maintain, or cause to be maintained, for the duration of this Contract, the insurance coverage outlined in (a) through (f) below, and all such other insurance as required by Applicable Law. Evidence of coverage will be provided to County via an insurance certificate.

(a) Workers' Compensation/Employers Liability for states in which ENGIE Services U.S. is not a qualified self-insured. Limits as follows:

*	Workers' Compensation:	Statutory
*	Employers Liability:	Bodily Injury by accident $1,000,000 each accident Bodily Injury by disease $1,000,000 each employee Bodily Injury by disease $1,000,000 policy limit

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(b) Commercial General Liability insurance with limits of:

* $2,000,000 each occurrence for Bodily Injury and Property Damage
* $4,000,000 General Aggregate - other than Products/Completed Operations
* $2,000,000 Products/Completed Operations Aggregate
* $2,000,000 Personal and Advertising Injury
* $ 100,000 Damage to premises rented to ENGIE Services U.S.

Coverage to be written on an occurrence form. Coverage to be at least as broad as ISO form CG 0001 (04/13) or its equivalent forms, without endorsements that limit the policy terms with respect to: (1) provisions for severability of interest or (2) explosion, collapse, underground hazard.

(c) Auto Liability insurance for owned, hired and non-owned vehicles with limits of $1,000,000 per accident. Coverage to be written on an occurrence form.

(d) Professional Liability insurance with limits of:

* $1,000,000 per occurrence
* $1,000,000 aggregate

Coverage to be written on a claims-made form.

(e) Umbrella/Excess Liability Insurance. Limits as follows:

* $1,000,000 each occurrence
* $1,000,000 aggregate

Coverage terms and limits to apply excess of the per occurrence and/or aggregate limits provided for Commercial General Liability and Professional Liability written on a claims made form. Coverage terms and limits also to apply in excess of those required for Employers Liability and Auto Liability written on an occurrence form.

(f) Policy Endorsements.

* The insurance provided for Workers' Compensation and Employers' Liability above will contain waivers of subrogation rights against County, but only to the extent of the indemnity obligations contained in this Contract.
* The insurance provided for Commercial General Liability and Auto Liability above will:
  (i) include County as an additional insured with respect to Work performed under this Contract, but only to the extent of the indemnity obligations contained in this Contract, and
  (ii) provide that the insurance is primary coverage with respect to all insureds, but only to the extent of the indemnity obligations contained in this Contract.

Section 12.02 County's Insurance. County will maintain, or cause to be maintained, for the duration of this Contract, the insurance coverage outlined below, and all such other insurance as required by Applicable Law. Evidence of coverage will be provided to ENGIE Services U.S. via an insurance certificate.

(a) Commercial General Liability insurance, written on an occurrence form, with limits of:

* $2,000,000 each occurrence for Bodily Injury and Property Damage; and
* $4,000,000 General Aggregate

(b) The insurance provided for above will contain waivers of subrogation rights against ENGIE Services U.S., but only to the extent of the indemnity obligations contained in this Contract..

Section 12.03 Waivers of Subrogation. The Parties waive all rights against each other and any of their subcontractors, sub-subcontractors, agents and employees, each of the other, for damages caused by fire or other causes of loss to the extent covered by property insurance obtained pursuant to this ARTICLE 12 or other property insurance applicable to the Work, except such rights as they have to proceeds of such insurance. The Parties and their respective property damage insurers also waive all rights of subrogation against the other Party, its directors, officers, agents and employees. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

Section 12.04 Performance and Payment Bonds. Prior to commencing Work under this Contract, ENGIE Services U.S. will furnish a performance bond, in an amount equal to one hundred percent (100%) of the Contract Amount, and a payment bond to guarantee payment of all claims for labor and materials furnished, in an amount equal to one hundred percent (100%) of the Contract Amount (collectively, the "Contract Bonds"). The Contract Bonds shall be

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maintained in full force and effect until Final Completion; provided that upon the achievement of Substantial Completion, the value of the Contract Bonds shall be reduced to the value of the Retainage being withheld by County. The Contract Bonds are not being furnished to cover the performance of any Professional Services, including any energy guaranty or guaranteed savings under this Contract, nor to cover any equipment and/or material manufacturer's warranty or other third-party warranty being assigned to County. County agrees that upon Final Completion and expiration of the ENGIE Services U.S. Warranty period set forth in Article 9 herein, the Contract Bonds shall be returned to ENGIE Services U.S., and all obligations arising thereunder are terminated and the surety company that issued the bond is forever discharged from any and all liabilities of whatever nature arising in connection with the Contract Bonds.

ARTICLE 13. DOE GUIDELINES; ENERGY POLICY ACT

Section 13.01 As authorized by §1605(b) of the Energy Policy Act of 1992 (Pub. L. No. 102-486) the U.S. Department of Energy has issued, and may issue in the future, guidelines for the voluntary reporting of Greenhouse Gas emissions ("DOE Guidelines"). "Greenhouse Gases" means those gases and other particles as defined in the DOE Guidelines. County hereby assigns and transfers to ENGIE Services U.S., and its Affiliates and assigns, any Greenhouse Gas emission reduction credits that result from the Work.

ARTICLE 14. MUNICIPAL ADVISOR / TAX ADVISOR

Section 14.01 THE PARTIES ACKNOWLEDGE AND AGREE THAT ENGIE SERVICES U.S. IS NOT A MUNICIPAL ADVISOR AND CANNOT GIVE ADVICE TO County WITH RESPECT TO MUNICIPAL SECURITIES OR MUNICIPAL FINANCIAL PRODUCTS ABSENT COUNTY BEING REPRESENTED BY, AND RELYING UPON THE ADVICE OF, AN INDEPENDENT REGISTERED MUNICIPAL ADVISOR. ENGIE SERVICES U.S. IS NOT SUBJECT TO A FIDUCIARY DUTY WITH REGARD TO COUNTY OR THE PROVISION OF INFORMATION TO COUNTY. COUNTY WILL CONSULT WITH AN INDEPENDENT REGISTERED MUNICIPAL ADVISOR ABOUT THE FINANCING OPTION APPROPRIATE FOR COUNTY'S SITUATION.

Section 14.02 The Parties acknowledge and agree that ENGIE Services U.S. is not a tax advisor and cannot give advice to County with respect to the Inflation Reduction Act and any funds the County may be eligible for thereunder. County must consult its own tax and legal advisors with regard thereto.

ARTICLE 15. TRADE SECRETS

If any materials or information provided by ENGIE Services U.S. to County under this Contract are designated by ENGIE Services U.S. as a "trade secret" or otherwise exempt from disclosure under the Public Records Act (California Government Code §6250 *et seq.*, the "Act") and if a third party makes a request for disclosure of the materials under the Act, as soon as practical (but not later than five (5) calendar days) after receipt of such request, County will notify ENGIE Services U.S. of such request and advise ENGIE Services U.S. whether County believes that there is a reasonable possibility that the materials may not be exempt from disclosure. Within ten (10) calendar days after a third party's request for disclosure of materials under the Act, ENGIE Services U.S. will (i) authorize County to release the documents or information sought; or (ii) if ENGIE Services U.S. reasonably believes that the information is exempt from disclosure, advise County not to release the materials.

ARTICLE 16. EVENTS OF DEFAULT

Section 16.01 Events of Default by ENGIE Services U.S. Each of the following events or conditions will constitute an "Event of Default" by ENGIE Services U.S.:

(i) any substantial failure by ENGIE Services U.S. to perform or comply with this Contract, including a material breach of any covenant contained herein, and such failure continues for thirty (30) calendar days after notice to ENGIE Services U.S. demanding that such failure to perform be cured; *provided* that (y) such failure to perform will not be deemed a default hereunder if it is excused by a provision of this Contract, and (z) if such cure cannot be effected in thirty (30) calendar days, ENGIE Services U.S. will be deemed to have cured the default upon the commencement of a cure within thirty (30) calendar days and diligent subsequent completion thereof; or

(ii) any representation or warranty furnished by ENGIE Services U.S. in this Contract which was false or misleading in any material respect when made.

Section 16.02 Events of Default by County. Each of the following events or conditions will constitute an "Event of Default" by County:

(i) any substantial failure by County to perform or comply with this Contract, including a material breach of any covenant contained herein, and such failure continues for thirty (30) calendar days after notice to County demanding that such failure to perform be cured; *provided* that (y) such failure to perform will not be deemed a default hereunder if it is excused by a provision of this

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Contract; and (z) if such cure cannot be effected in thirty (30) calendar days, County will be deemed to have cured the default upon the commencement of a cure within thirty (30) calendar days and diligent subsequent completion thereof; or

(ii) any representation or warranty furnished by County in this Contract which was false or misleading in any material respect when made; or

(iii) any failure by County to pay any amount to ENGIE Services U.S. which is not paid within ten (10) calendar days after written notice from ENGIE Services U.S. that the amount is past due.

ARTICLE 17. REMEDIES UPON DEFAULT

Section 17.01 Termination for Cause. If there is an Event of Default by either Party under this Contract, unless such Event of Default has been cured within the applicable time periods for a cure set forth in ARTICLE 16, the non-defaulting Party may terminate this Contract by providing three (3) Business Days' written notice to the defaulting Party in the case of a monetary default and ten (10) Business Days' written notice to the defaulting Party in the case of a non-monetary default. Upon termination of this Contract, each Party will promptly return to the other all papers, materials, and property of the other held by such Party in connection with this Contract. Each Party will also assist the other in the orderly termination of this Contract and the transfer of all aspects hereof, tangible and intangible, as may be necessary for the orderly, non-disrupted business continuation of each Party. If this Contract is so terminated, ENGIE Services U.S. will be entitled to payment for Work satisfactorily performed, earned profit and overhead, and costs incurred in accordance with this Contract up to the date of termination.

Section 17.02 Remedies Upon Default by ENGIE Services U.S. If an Event of Default by ENGIE Services U.S. occurs, County will be entitled to obtain any available legal or equitable remedies through arbitration proceedings instituted pursuant to ARTICLE 19, including, without limitation, terminating this Contract, or recovering amounts due and unpaid by ENGIE Services U.S. and/or damages, which will include County's reasonable, actual, direct out-of-pocket losses incurred by reason of such Event of Default and any cost of funding; loss of anticipated payment obligations; and any payment or delivery required to have been made on or before the date of the Event of Default and not made, including interest on any sums due, and losses and costs incurred as a result of terminating this Contract and all costs and expenses reasonably incurred in exercising the foregoing remedies.

Section 17.03 Remedies upon Default by County. If an Event of Default by County occurs, ENGIE Services U.S. will be entitled to obtain any available legal or equitable remedies through arbitration proceedings instituted pursuant to ARTICLE 19 including, without limitation, terminating this Contract or recovering amounts due and unpaid by County, and/or damages which will include ENGIE Services U.S.'s reasonable, actual, direct out-of-pocket losses incurred by reason of such Event of Default and any cost of funding; loss of anticipated payment obligations; and any payment or delivery required to have been made on or before the date of the Event of Default and not made, including Interest on any sums due, and losses and costs incurred as a result of terminating this Contract and all costs and expenses reasonably incurred in exercising the foregoing remedies.

ARTICLE 18. CONDITIONS BEYOND CONTROL OF THE PARTIES

Section 18.01 Excusable Events. If any Party is delayed in, or prevented from, performing or carrying out its obligations under this Contract by reason of any Excusable Event, such circumstance will not constitute an Event of Default, and such Party will be excused from performance hereunder and will not be liable to the other Party for or on account of any loss, damage, injury or expense resulting from, or arising out of, such delay or prevention. Notwithstanding the foregoing, no Party will be excused from any payment obligations under this Contract as a result of an Excusable Event.

Section 18.02 Utility Work. County expressly understands and agrees that Excusable Events may occur due to Interconnection Facilities work that may need to be performed by the local electric utility ("Utility") in order for ENGIE Services U.S. to fully implement the Project. "Interconnection Facilities" means any distribution or transmission lines and other facilities that may be required to connect equipment supplied under this Contract to an electrical distribution/transmission system owned and maintained by the Utility. Any Interconnection Facilities work that may be required will be performed by the Utility under the Interconnection Agreement.

ARTICLE 19. GOVERNING LAW AND RESOLUTION OF DISPUTES

Section 19.01 Governing Law. This Contract is governed by and must be interpreted under the laws of the State where the Work is performed, without regard to the jurisdiction's choice of law rules.

Section 19.02 Initial Dispute Resolution. If a dispute arises out of or relates to this Contract, the transaction contemplated by this Contract, or the breach of this Contract (a "Dispute"), either Party may initiate the dispute resolution process set forth in this ARTICLE 19 by giving notice to the other Party. The Parties will endeavor to settle the Dispute as follows:

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(i) *Field Representatives' Meeting*: Within fifteen (15) Business Days after notice of the Dispute, ENGIE Services U.S.'s senior project management personnel will meet with County's project representative in a good faith attempt to resolve the Dispute.

(ii) *Management Representatives' Meeting*: If ENGIE Services U.S.'s and County's project representatives fail to meet, or if they are unable to resolve the Dispute, senior executives for ENGIE Services U.S. and for County, neither of whom have had day-to-day management responsibilities for the Project, will meet, within thirty (30) calendar days after notice of the Dispute, in an attempt to resolve the Dispute and any other identified disputes or any unresolved issues that may lead to a dispute. If the senior executives of ENGIE Services U.S. and County are unable to resolve a Dispute or if a senior management conference is not held within the time provided herein, either Party may submit the Dispute to mediation in accordance with Section 19.03.

Section 19.03 Mediation. If the Dispute is not settled pursuant to Section 19.02, the Parties will endeavor to settle the Dispute by mediation under the Commercial Mediation Procedures of the American Arbitration Association. Mediation is a condition precedent to arbitration or the institution of legal or equitable proceedings by either Party. Once one Party files a request for mediation with the other Party and with the American Arbitration Association, the Parties agree to conclude the mediation within sixty (60) calendar days after filing the request. Either Party may terminate the mediation at any time after the first session, but the decision to terminate must be delivered in person by the Party's representative to the other Party's representative and the mediator. If the Dispute is not resolved by mediation within sixty (60) calendar days after the date of filing of the request for mediation, then the exclusive means to resolve the Dispute is final and binding arbitration, as described in Section 19.04. Either Party may initiate arbitration proceedings by notice to the other Party and the American Arbitration Association.

Section 19.04 Arbitration Proceedings. The following provisions apply to all arbitration proceedings pursuant to this ARTICLE 19:

(i) The place of arbitration will be the American Arbitration Association office closest to where the Work was performed.

(ii) One arbitrator (or three arbitrators if the monetary value of the Dispute is more than $2,000,000) (the "Arbitral Panel") will conduct the arbitral proceedings in accordance with the Commercial Arbitration Rules and Mediation Procedures (Excluding the Procedures for Large, Complex Commercial Disputes) of the American Arbitration Association currently in effect ("Arbitration Rules"). To the extent of any conflicts between the Arbitration Rules and the provisions of this Contract, the provisions of this Contract prevail.

(iii) The Parties will submit true copies of all documents considered relevant with their respective statement of claim or defense, and any counterclaim or reply. In the discretion of the Arbitral Panel, the production of additional documents that are relevant and material to the determination of the Dispute may be required.

(iv) The Arbitral Panel does not have the power to award, and may not award, any punitive, indirect or consequential damages (however denominated). All arbitration fees and costs are to be shared equally by the parties, regardless of which Party prevails. Each Party will pay its own costs of legal representation and witness expenses.

(v) The award must be in the form of a reasoned award.

(vi) The Dispute will be resolved as quickly as possible. The Arbitral Panel will endeavor to issue the arbitration award within six (6) months after the date on which the arbitration proceedings were commenced.

(vii) The award will be final and binding and subject to confirmation and enforcement proceedings in any court of competent jurisdiction.

Section 19.05 Multiparty Proceeding. Either Party may join third parties whose joinder would facilitate complete resolution of the Dispute and matters arising from the resolution of the Dispute.

Section 19.06 Lien Rights. Nothing in this ARTICLE 19 limits any rights or remedies not expressly waived by ENGIE Services U.S. that ENGIE Services U.S. may have under any lien laws or stop notice laws.

ARTICLE 20. REPRESENTATIONS AND WARRANTIES

Section 20.01 Each Party warrants and represents to the other that:

(i) it has all requisite power and authority to enter into this Contract, to perform its obligations hereunder and to consummate the transactions contemplated hereby;

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(ii) the execution, delivery, and performance of this Contract have been duly authorized by its governing body, or are in accordance with its organizational documents, and this Contract has been duly executed and delivered for it by the signatories so authorized, and constitutes its legal, valid, and binding obligation;

(iii) the execution, delivery, and performance of this Contract will not breach or violate, or constitute a default under, its organizational documents or any contract, lease or instrument to which it is a party or by which it or its properties may be bound or affected; and

(iv) it has not received any notice, nor to the best of its knowledge is there pending or threatened any notice, of any violation of any Applicable Laws, awards or permits which would materially and adversely affect its ability to perform hereunder.

ARTICLE 21. NOTICE

Any notice required or permitted hereunder will be deemed sufficient if given in writing and delivered (i) personally, (ii) by email, (iii) sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) delivered to a nationally recognized express mail service, charges prepaid, receipt obtained, to the address shown below or to such other persons or addresses as are specified by similar notice.

TO ENGIE SERVICES U.S.:
ENGIE Services U.S. Inc.
500 12th Street, Suite 300
Oakland, CA 94607
Tel:
Attention: Logan Ahlgren, Project Manager
Email: logan.ahlgren@engie.com

With a COPY TO:
Legal Department
ENGIE Services U.S. Inc.
35 North Lake Avenue, Suite 900
Pasadena, CA 91101-1892
Attention: Contract Analyst Senior
Tel: 626-377-4948

TO County:
County of Monterey
168 W. Alisal Street
Salinas, CA 93901
Attention:
Tel:
Email:

With a COPY TO:
Office of _____
_____
Street Address
City, State, Zip
Attention:
Tel:
Email:

ARTICLE 22. CONSTRUCTION OF CONTRACT

This Contract is the result of arms-length negotiations between two sophisticated parties and ambiguities or uncertainties in it will not be construed for or against either Party, but will be construed in a manner that most accurately reflects the intent of the Parties as of the Contract Effective Date. Each of the Parties acknowledges and agrees that neither Party has provided the other with any legal, accounting, regulatory, financial, or tax advice with respect to any of the transactions contemplated hereby, and each Party has consulted its own legal, accounting, regulatory, financial and tax advisors to the extent it has deemed appropriate.

ARTICLE 23. CHOICE OF LAW

THE INTERPRETATION, VALIDITY AND ENFORCEMENT OF THIS CONTRACT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

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ARTICLE 24. BINDING EFFECT

Except as otherwise provided herein, the terms and provisions of this Contract will apply to, be binding upon, and inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors, and permitted assigns.

ARTICLE 25. NO WAIVER

The failure of ENGIE Services U.S. or County to insist upon the strict performance of this Contract will not constitute or be construed as a waiver or relinquishment of either Party's right to thereafter enforce the same in accordance with this Contract in the event of a continuing or subsequent default on the part of ENGIE Services U.S. or County.

ARTICLE 26. SEVERABILITY

If any clause or provision of this Contract or any part thereof becomes or is declared by a court of competent jurisdiction invalid, illegal, void, or unenforceable, this Contract will continue in full force and effect without said provisions; *provided* that no such severability will be effective if it materially changes the benefits or obligations of either Party hereunder.

ARTICLE 27. HEADINGS

Headings and subtitles used throughout this Contract are for the purpose of convenience only, and no heading or subtitle will modify or be used to interpret the text of any section.

ARTICLE 28. COUNTERPARTS; INTEGRATION

This Contract may be executed in counterparts (and by different Parties hereto in different counterparts), each of which will constitute an original, but all of which when taken together will constitute a single contract. This Contract constitutes the entire contract among the Parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. This Contract cannot be amended, modified, or terminated except by a written instrument, executed by both Parties hereto. Delivery of an executed counterpart of a signature page of this Contract by email will be effective as delivery of a manually executed counterpart of this Contract.

[*the Parties' signatures appear on the following page*]

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SIGNATURE PAGE

IN WITNESS WHEREOF, County and ENGIE Services U.S. have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: DocuSigned by: Debra Wilson PhD 7B741937AA0D41B...
Contracts/Purchasing Officer

Date: 12/6/2024 | 4:12 PM PST

By: _____
Department Head (if applicable)

Date: _____

Approved as to Form
County Counsel
Susan K. Blitch, Acting County Counsel

By: Signed by: Michael Whilden 0F98C5BE9B6F476...
County Counsel

Date: 12/2/2024 | 9:18 AM PST

Approved as to Fiscal Provisions

By: _____
Auditor/Controller

Date: _____

Approved as to Liability Provisions
Office of the County Counsel-Risk Management

By: Signed by: David Bolton 68FDC263FF6243C...
David Bolton, Risk Manager

Date: 12/2/2024 | 9:30 AM PST

ENGIE SERVICES U.S. INC.

By: DocuSigned by: Courtney Jenkins DS CM C333BEFB00484B7...
(Signature of Chair, President, or Vice-President)

Courtney Jenkins, President

Date: 11/27/2024

By: DocuSigned by: Derron Gunderman DS CM 1177FFDB3085402...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Derron Gunderman, Secretary

Date: 11/26/2024

County Board of Supervisors' Agreement No. _____ approved on _____

* INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.
[1]Approval by County Counsel is required
[2]Approval by Auditor-Controller is required
[3]Approval by Risk Management is necessary only if changes are made in paragraph 8 or 9

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ATTACHMENT A

FACILITIES

(a) The following County Facilities are included under the Scope of Work as listed below:

Facility	Address	Square Feet
Civic Center	240 Church St., Salinas, CA 93901	293,867
Information Technology Department	1590 Moffett St., Salinas, CA 93905	31,980

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ATTACHMENT B

Not Used

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ATTACHMENT C

SCOPE OF WORK

California State Contractor's License Number 995037
California Public Works Contractor Registration Number 1000001498

Energy Conservation Measures to Be Implemented

ECM #	Description
1	Solar Generating Facilities
2	Electric Vehicle (EV) Charging Stations

ECM 1: SOLAR GENERATING FACILITIES

The table below lists the locations for the solar photovoltaic (PV) installations and the structure types:

Facility	Est. kWdc	Solar PV Structure	PG&E Meter Number
Civic Center	543	Canopy, Roof	1010238946
Information Technology Department	449	Canopy, Roof	1010238977

General Scope of Work

1. Prepare and submit design drawings to County for approval and to the local Utility as required.
2. Provide geotechnical evaluations necessary for design requirements for all sites.
3. ENGIE Services U.S. will submit the project for permitting review to the County of Monterey Building Department, City of Salinas, and City of Salinas Fire Department as required. No permitting fees have been included in the Scope of Work for these Authorities Having Jurisdiction (AHJs).
4. Provide geotechnical evaluations necessary for design requirements.
5. Provide Utility interconnection drawings and management services.
6. Provide and coordinate installation of the revenue grade Net Generation Output Meter (NGOM) and Net Energy Meter (NEM) metering.
7. Procure materials and equipment necessary for construction.
8. Provide all project management and construction management necessary for a full and complete installation.
9. Provide labor, supervision and coordination with County for the installation of photovoltaic (PV) modules and supporting structures, electrical distribution and control systems.
10. Provide and install PV modules and all necessary mounting hardware for each system.
11. Provide and install inverters and all necessary electrical equipment and conduits to connect to the electrical switchgear or meter. Electrical shutdowns are anticipated at each site. Time of shutdown will be coordinated with the County and may include weeknights and weekends. Shutdowns will not be scheduled during regular working hours. Coordination with use of existing on-site permanent generators will be provided. No provision of temporary generators, additional generators, or fuel for generators has been included in the Scope of Work.
12. Provide and install solar canopy and roof mounted structures to offset electrical consumption at the two (2) locations in the table above.
    a. Canopy: The canopy structure design will include a painted canopy structure that has a seven (7) degree tilt and is thirteen feet six inches (13'-6") clear of grade level on the low side and a pier depth of thirteen feet (13') deep. The canopy structure design assumes no de-watering, benching, shoring, or casing. The paint color shall be selected by County and may be any color other than white. No galvanized coating is included in this Scope of Work.
    b. Roof: Provide and install necessary commodity roofing products to flask racking standoffs and solar related penetrations to maintain waterproof integrity of the existing structures. County shall provide contact information for roofer/roof warranty holder so ENGIE Services U.S. can coordinate to ensure work maintains roof warranty, if any exist. Roof mounted systems will be low profile tilt elevated roof rack system at Civic Center and a ballasted roof rack system at Information Technology Department. Rooftop racking systems shall be 1 panel high in portrait, with a five (5) degree tilt facing south, south-east, or south-west. The rooftop arrays at Civic Center will have a eighteen to twenty-four inch (18-24") clearance between top of roof and the low edge of the module. The rooftop arrays at the Information Technology Department will have a two inch (2") minimum clearance between the top of the roof and the low edge of the module. Any structural upgrades, existing roofing modifications, or modifications to these racking designs are excluded from the Scope of Work. All racking material shall be galvanized only, with no paint. Rapid shutdown devices as required by code shall be provided and installed.

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13. The Civic Center PV system at the south end of West Alisal Street shall be required to tie in at the main point of interconnection north of West Alisal Street. ENGIE Services U.S. shall utilize directional horizontal boring to place electrical conduits for this tie-in to connect the PV systems on either side of the street, and any associated hand digging or additional excavations for the placement of conduits underneath West Alisal Street has been excluded. As this is a City of Salinas owned street, ENGIE Services U.S. shall assist with obtaining an encroachment permit for this work.
14. ENGIE Services U.S. has assumed continuous construction with no additional mobilizations or remobilizations for the work at Civic Center or the Information Technology Department.
15. Provide and install one (1) meter each on existing electrical panel “DHA” located in the North Wing first floor and existing electrical panel “EDHA” located in the North Wing Basement at the Civic Center for the purpose of monitoring the electricity use of the spaces occupied by the State Courts. The energy usage data will be provided in UtilityVision along with the energy usage from the solar system.
16. DC wiring and AC wiring within the solar canopies and roof mount structures shall be copper wire. Aluminum wire will be used from each system’s AC combiner to the main point of contact at the site’s electrical switchgear.
17. Provide and install one (1) spare two (2) inch conduit to each grouping of canopies for future infrastructure. The spare conduit shall be installed from the electrical main point of interconnection and shall terminate at the AC combiner for any grouping of canopies.
18. Provide and install one (1) spare three (3) inch conduit each to Arrays C.2 and C.3 at Civic Center for future infrastructure. Spare conduits shall be installed from the electrical main point of interconnection at the 480 Volt switchgear and shall terminate at the easternmost point of each array in a pull box.
19. Provide and install new LED lighting fixtures (RAB PRT42N or equivalent) at every canopy bay. .
20. Provide lighting fixture, pole, and bollard removal for the canopy installations, returning the light fixtures and poles to the County. Quantities are shown below:

Site	Quantity Lights and Bollards Removed
Civic Center	4
Information Technology Department	2
Total	**6**

21. Provide as-built drawings and Operations and Maintenance manuals in electronic format upon project completion.
22. Provide miscellaneous backfill and restoration of landscaping in areas of work.
23. Start-up, test, and commission the systems in accordance with design plans and applicable industry standards.
24. Secure the Project Location and provide traffic redirection during riffing operations, and during the move-in and move-out of large equipment. County will assist with the foregoing site logistics by coordinating access and scheduling with ENGIE Services U.S.

PV Layouts
Schematic engineering layouts are included in Appendix 2. These schematic engineering layouts and the electrical routing related to them are subject to change due to field conditions and upon completion of final engineering.

Tree Removal and Replacement
The quantities of trees that need to be removed are identified in the table below and are based on the current PV layouts. The total quantity of new trees to be planted are identified in the table below. Locations of new trees shall be determined with the County. It is assumed that any location for new trees shall have existing irrigation. No provision for new irrigation or extension of irrigation systems have been included in the Scope of Work. A landscape architect shall be utilized by ENGIE Services U.S. to provide detailed drawings showing the trees to be removed and specifying size, type, and location of all new trees. New trees shall be sized to be installed in no larger than twenty-four inch (24”) tree boxes and shall be provided at 8’ in height.

Site Name	Quantity of Trees Removed	Quantity of Trees Trimmed	Quantity of Trees Replanted
Civic Center	1	0	3
Information Technology Department	9	1	27
Total	**10**	**1**	**30**

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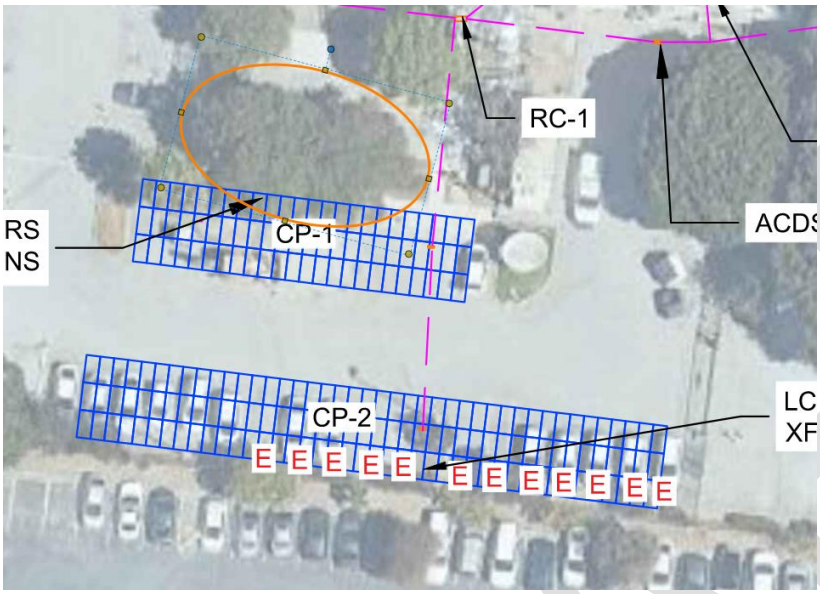
In order to ensure maximum guaranteed solar PV system generation, the County will be responsible for regular tree trimming and maintenance of the trees as circled in orange the in the layout below to not grow above thirty feet (30') in height and maintain ten feet (10') of horizontal distance from the edge of the array. ENGIE Services U.S. is responsible for any initial trimming required at the start of construction.

Information Technology Department



Tree removal as noted in the table above includes stump grinding.

Inclusions

- Permanent six foot (6') tall galvanized chain-link fencing enclosures around PV electrical equipment as required. No privacy slats have been included in the Scope of Work.
- Provide and install a total of two (2) weather stations, one (1) at each location.

Exclusions

- Any permanent chain-link fencing not specifically identified in the above scope of work. Any iron rod, black coated, or decorative fencing, or any privacy slats on fencing. All fencing is assumed to be galvanized steel. If County prefers any other material for fencing, this will result in a Change Order to the Scope of Work.
- Building or improvement of fire access roads.
- Casings for the piers as a result of caving.
- Security cameras.
- Costs for accessibility upgrades, if required, are not included.
- Grading of the area. Solar shall be mounted on existing terrain.
- Rock drilling or boring through rocky soil conditions.
- Costs for Utility upgrades, if required, are not included.
- Provision of, modifications to, or additions to fire life safety systems, including but not limited to fire alarm systems, fire sprinklers, and alarm speaker systems.
- No allowance has been made for screening, bird spikes, or other mitigations to eliminate nesting or occupation of wildlife on or within major equipment. Wildlife debris cleanup is excluded.
- New tree planting will not have new irrigation systems. Hand watering will be the responsibility of County, if required.
- Scope of Work assumes that existing roof structures can take on the added structural load of the PV systems. No upgrades or repairs of any kind are included.
- Remediation and/or removal of hazardous materials, hazardous wastes, or spoils are not included.

ECM 2: EV CHARGING STATIONS

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The table below lists the locations and quantities for the electric vehicle (EV) charging stations. :

Facility	EV Charging Station Description	EV Charging Station kW Output	# of Ports
Civic Center	Dual Port Level 2	20.8 kW (10.4 kW per port)	16
	Dual Port DC Fast Charger	150 kWdc	4
Information Technology Department	Dual Port Level 2	20.8 kW (10.4 kW per port)	12

The EV charging stations provide a maximum power output of 20.8 kW per charging station, with a maximum power output of 10.4 kW per port if both ports are used simultaneously.

General Scope of Work

1. ENGIE Services U.S. will create CAD maps of system locations where necessary for design requirements.
2. Prepare and submit design drawings to County for approval.
3. ENGIE Services U.S. will secure the Project Locations and provide traffic redirection during rigging operations, and during the move-in and move-out of large equipment. County will assist with the foregoing site logistics by coordinating access and scheduling with ENGIE Services U.S.
4. Provide labor, supervision and coordination with County for the installation of EV Chargers and supporting structures, electrical distribution and control systems.
5. Provide and install temporary fencing during construction.
6. Supply and install dual port, integrated auto-retract cable system charging station model number ChargePoint CP6021B-50A-L5.5 commercial station 12kW Charger (240V AC @50A), including all materials and equipment necessary for installation.
7. Install two (2) County-provided Freewire Boost Charger 150 dual plug DC fast charging stations at Civic Center, including all materials and equipment necessary for installation. These charging stations will be located within the visitor's parking lot as shown in the layout in Appendix 2 and shall be connected using local 208 Volt power. It is assumed that sufficient capacity exists for tying in these charging stations to existing infrastructure. Infrastructure additions or modifications have been excluded from the Scope of Work. ENGIE Services U.S. will not warranty the material of these charging stations and cannot guarantee their operation.
8. EV charging stations where possible shall be mounted to existing hardscape.
9. Furnish and install all power and data cabling and conduit for each of the power cabinets, dispensers and chargers detailed above.
10. All power cables shall be copper and installed in metallic conduit.
11. Hard-wired data connections to the County's IT network are excluded.
12. Furnish and install equipment pads and mounting hardware for the dispensers.
13. The wiring for each unit is to be determined from each charger datasheet and recommendations.
14. Wiring between each system's charging stations shall be with copper or aluminum wire. Aluminum wire will be used from each system's AC combiner to the main point of connection at the site's electrical switchgear.
15. Include any trenching or concrete work required to feed the wiring.
16. All underground utility locating is included.
17. Locate, protect and avoid existing underground utilities in the new conduit paths.
18. Coordinate billing parameter and website setup between vendor and County.
19. Provide and install step-up transformer per the following table. Transformers shall be installed at grade level, with new equipment pads and shall be enclosed by 6' tall galvanized chain link fence with no slats at the two (2) Project Sites as identified in Appendix 2 – Provisional Solar PV and EV Charger Layouts.

Facility	EV Charging Station Transformers
Civic Center	One (1) step-up 208/120 Volt to 480 Volt transformer
Information Technology Department	One (1) step-up 208/120 Volt to 480 Volt transformer

20. Provision of safety and security measures shall be provided as required by and coordinated with the County.
21. The schedule assumes work will be allowed to proceed year-round in a continuous manner. All construction activities shall be coordinated with County around site schedules and operation.

EV Layouts

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Schematic engineering layouts are included in Appendix 2. These schematic engineering layouts and the electrical routing related to them are subject to change due to field conditions and upon completion of final engineering.

EV Charging Management Software

1. ENGIE Services U.S. will install a ChargePoint management application to monitor and control the Level 2 EV chargers. ENGIE Services U.S. will be responsible for all necessary material, equipment (except as excluded below), labor, management and commissioning to provide a fully functioning monitoring system at each site listed on the table above.
2. County will have full access to the data captured from the EV chargers that records usage for billing. County can also enable viewing restrictions to specific chargers for purposes of selectively sharing data with users.
3. Following installation and commissioning, County will be solely responsible for use, functionality and capabilities of the software, including any ongoing usage fees.
4. Yearly licensing and billing fees for the EV charging stations will be the responsibility of County.
5. A prepaid 5-year Commercial Cloud Plan service subscription from ChargePoint for account management is included per charger.
6. Ongoing maintenance is the responsibility of County.
7. This Scope of Work assumes that cellular connection strength is adequate to support the chargers' network communications.
8. In the event that ENGIE Services U.S. determines that there is not sufficient capacity for the EV charging scope at any particular site, ENGIE Services U.S. will notify the County promptly, and ENGIE will determine what next steps may be required.

Exclusions

1. Any and all electrical upgrades to increase capacity to enable connection of EV charging except where specified in the Scope of Work section above. ENGIE Services U.S. is not aware of any required electrical upgrades at the time of signature.
2. Permanent fencing unless otherwise stated in specific Scope of Work sections.
3. Bollards, signage, and parking lot restriping are excluded.
4. Any ADA upgrades to new or existing parking stalls is excluded.
5. Installation of new security cameras or modifications to existing security cameras is excluded.
6. Asphalt patching or restriping, except where specified in the Scope of Work section above, is excluded. All asphalt patching and restriping to return the parking lots and other areas of work to their original conditions is in the Scope of Work, as noted in the section above.
7. Additional monitoring system equipment including ports, extenders or other hardware is excluded.
8. Landscaping in areas not directly affected by the ENGIE Services U.S.' work.
9. Repair or replacement of damaged or inoperable existing equipment that is not specifically being replaced under the Scope of Work. When such items are discovered, ENGIE Services U.S. will immediately notify a County representative.
10. With respect to new equipment connecting to the Facilities' existing electrical distribution systems, ENGIE Services U.S. will not be responsible for the electrical integrity of the existing electrical system, e.g., the condition and proper termination of current-carrying, grounded, and grounding conductors, bus taps, protective elements, the proper protection of existing wire through knockouts, or missing components. The County is responsible for providing and maintaining the facility's electrical distribution system that meets the latest NEC and guidelines adopted by the authority having jurisdiction. ENGIE Services U.S. is not aware of any required electrical upgrades at the time of signature.
11. Painting of conduits or other surfaces, unless specified in the EV Charging Site Specific Scope sections.

General Project Exclusions and Clarifications Applicable to All Scopes:

- ENGIE Services U.S. will be responsible for obtaining and paying for any required Building, Mechanical, and Electrical Permits.
- County of Monterey, City of Salinas, and City of Salinas Fire Department AHJ permitting fees are not included.
- The County will be responsible for hiring and paying for all inspectors and testing laboratories.
- ADA, Fire Life Safety, and other work required as a result of AHJ submission is excluded, except as noted above.
- ENGIE Services U.S. has assumed Construction will be allowed to proceed smoothly and in a continuous flow. No allowance has been made to demobilize and remobilize resources due to schedule interruptions, except as noted above.
- Remediation and/or removal and disposal of Hazardous Substances, including asbestos containing materials, to be by County. If ENGIE Services U.S. encounters material suspected to be hazardous, ENGIE Services U.S. will notify County representative and stop further work in the area until the material is removed.
- CEQA or other environmental studies, if required, will be the responsibility of County.
- Public Hearings, if required, will be the responsibility of County.

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- ENGIE Services U.S. will require the assistance of County personnel to secure the Project Location and to provide traffic redirection during rigging operations, and during the move-in and move-out of large equipment.
- No allowance has been made for structural upgrades to existing structures, except as specifically set forth in this Scope of Work.
- No temporary heating or cooling services are included for the duration of planned power shutoffs for the purpose of Utility interconnection. ENGIE Services U.S. will attempt to phase construction in such a way as to avoid complete interruptions of service. If temporary facilities including but not limited to power, phone lines, heating, or cooling are required, they will be provided by the County at no cost to ENGIE Services U.S.
- No allowance has been made for screening of new or existing equipment, except as specifically set forth in this Scope of Work.
- ENGIE Services U.S. standard construction means and methods will be used.
- County will provide access to the Facilities, laydown areas at the work sites, and a reasonable number of parking spaces for ENGIE Services U.S. and ENGIE Services U.S.'s subcontractor vehicles in parking lots at the Facilities.
- Work will be performed during normal work hours; no overtime hours are included in the Contract Price except as noted above.
- The Scope of Work assumes that, unless specifically identified otherwise, all existing systems are functioning properly and are up to current codes. ENGIE Services U.S. will not be responsible for repairs or upgrades to existing systems that are not functioning properly or compliant with current codes. No allowances have been made to bring existing systems up to code. ENGIE Services U.S. is not aware of any required electrical upgrades at the time of signature.
- No allowance has been made to repair or replace damaged or inoperable existing equipment that is not specifically being replaced under the Scope of Work. When such items are discovered, ENGIE Services U.S. will immediately notify County representative.
- No allowance has been made for underground obstructions or unsuitable soil conditions encountered during trenching or other excavation.
- The PV shade structure is not weather tight and will not provide shelter from rain.
- Installing water hose bibs for washing the panels is excluded.
- Parking lot repairs are excluded, except to the extent of damage caused by ENGIE Services U.S. or its subcontractors.
- Modifications to or replacement of existing electrical switchgears or panelboards are excluded. ENGIE Services U.S. is not aware of any needed modifications or replacements at the time of signature.
- Repair or replacement of existing housekeeping pads, concrete pads, or base repair of existing walkway lighting are excluded, except as specifically set forth in this Scope of Work.
- Painting, unless specified, is excluded.
- ENGIE Services U.S assumes soil and site conditions for boring will allow for continuous operation of boring equipment.
- With respect to installation of new lighting fixture installations, prior to commencement of the lighting fixture installation, County will provide an existing or new grounding conductor or solidly grounded raceway with listed fittings at the lighting fixture junction box that is properly connected to the facility grounding electrode system in compliance with the latest NEC requirements adopted by the authority having jurisdiction. This Scope of Work includes, if applicable, properly terminating the lighting fixtures to the existing grounding conductor or to the existing solidly grounded raceway with listed fittings at the lighting fixture junction box.
- Where this Scope of Work includes pulling new wiring for lighting fixtures from an existing lighting panel, a grounding conductor must be included in the lighting circuits. County is responsible for providing an existing or new grounding conductor terminal bar at the lighting panel that is properly connected to the Facility grounding electrode system in compliance with the latest NEC adopted by the authority having jurisdiction.
- With respect to Projects with new equipment connecting to the Facility's existing electrical distribution system, ENGIE Services U.S. will not be responsible for the electrical integrity of the existing electrical system, e.g., the condition and proper termination of current carrying, grounded, and grounding conductors, bus taps, protective elements, the proper protection of existing wire through knockouts, or missing components. County is responsible for providing and maintaining the facility's electrical distribution system that meets the latest NEC and guidelines adopted by the authority having jurisdiction. ENGIE Services U.S. is not aware of any required electrical upgrades at the time of signature.
- ENGIE Services U.S. will not be responsible for existing damaged pipes, valves, and related parts and components.
- Depth of piers for canopy installations are assumed to be thirteen (13) feet. No allowances have been made should soils report indicate that depth of piers should be deeper due to soil quality and/or seismic concerns, or additional seismic concerns requires deeper footings.

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ENGIE Services U.S. Beneficial Use and Warranty criteria for specific pieces of equipment:

1. SOLAR GENERATING FACILITIES - The ENGIE Services U.S. Warranty commences immediately when the Generating Facility is capable of generating expected energy and the Utility is ready to issue the permission-to-operate letter.
    a. Solar Module Warranty – solar modules will be provided with a 30-year manufacturer production warranty.
    b. Solar Inverter Warranty – inverters will be provided with a 10-year manufacturer parts and service warranty.
2. EV CHARGING STATIONS – The ENGIE Services U.S. Warranty commences immediately upon the occurrence of uninterrupted operation for a duration as necessary, with a maximum of two (2) weeks, to determine proper operation.
    a. EV Charging Station equipment will be provided with a two (2) year manufacturer warranty that begins from the date of purchase for only the Level 2 EV Charging Stations. County is responsible for managing manufacturer warranty for the previously purchased DC Fast EV Charging Stations.
    b. EV Charging Station installation will be provided with a one (1) year labor warranty for all Level 2 and DC Fast EV Charging Stations.

Substantial & Final Completion Forms per Scope of Work:

The table below provides the number of substantial and final completion forms that will be used to document beneficial use and final completion of each Scope of Work.

ECM	Scope of Work	Location	Total Qnty of Substantial Completions	Total Qnty of Final Completions
1	Solar Generating Facilities	2 Sites	2, one per system	1, for entire ECM
2	Electric Vehicle Charging Stations	2 Sites	2, one per system	1, for entire ECM

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ATTACHMENT D

MONITORING INSTALLATION SCOPE OF WORK

Overview of DAS Network Installation and Equipment Requirements

ENGIE Services U.S. will provide a revenue-grade billing, data acquisition system (DAS). This will provide readily available access to various internal and external information collected on the distributive generation (i.e., solar PV) plant.

ENGIE Services U.S. DAS Monitoring Installation:

- Supply and install hardware specific to the DAS system.
- Supply and install, terminate, label, and test all Data Point of Connection (DPOC) communication cabling from each DAS node to the predetermined and respective DPOC(s), in accordance with County's specifications.
- Test and verify County/Facility network connectivity.
  a. TCP/IP internal addressing and verification
- Supply, install, and configure a Modbus based digital Net Energy Meter (NEM).
- Connect the data portion of digital NEM(s) to their respective DPOC(s).
- Supply, install, and configure a revenue-grade Modbus based digital Net Generation Output Meter (NGOM).
- Perform the physical installation, labeling, testing and certification testing of each data circuit from the digital NEM(s) to their respective DPOC(s).
- Provide basic system training to designated County/Facility maintenance staff.

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ATTACHMENT E

M&V SERVICES

EQUIPMENT AND FACILITIES COVERED

ENGIE Services U.S. will perform measurement and verification services ("M&V Services") as set forth in this Attachment E with respect to County's property at the locations as listed in Attachment A.

I. Definitions:

Capitalized terms used in this Attachment E and not defined in the Contract have the meanings set forth below:

"**Annual M&V Fee**" means a fee payable annually in advance by County to ENGIE Services U.S., in consideration of the provision of up to five (5) years of M&V Services. The Annual M&V Fee for the first Measurement Period will be Two Thousand Eight Hundred Eighty-Four Dollars ($2,884.00). The Annual M&V Fee will be increased annually thereafter at the rate of four percent (4%) per annum, each increase to be effective on the first day of the corresponding Measurement Period.

"**Energy Production**" means the aggregate kWh measured by the Generating Facilities during the Measurement Period.

"**Energy Production Factors**" means factors identified by ENGIE Services U.S. which may affect the Energy Production of the Facilities, including: quality, quantity, and timeliness of maintenance and repairs to building electrical distribution system which were not installed by ENGIE Services U.S., but which are necessary for conveying Energy Production; inability to procure replacement parts/components; damage or defects excluded by manufacturer warranty, and not caused by ENGIE Services U.S.; soiling in excess of predicted soiling based on ENGIE Services U.S. industry-standard modeling for this project; non-operation or shutdown of the Generating Facilities by County or a third party other than ENGIE Services U.S.; and damage to the Generating Facilities not caused by ENGIE Services U.S.

"Energy Production Term" means the period beginning on the first day of the first Measurement Period and ending on the earlier of: (i) the day immediately preceding the fifth (5^{th}) anniversary of the M&V Commencement Date; (ii) the termination of the Contract; (iii) the termination by County of the M&V Services in accordance with this Attachment E, Section (II)(E); or (iv) the failure by County to pay the Annual M&V Fee in accordance with this Attachment E, Section (II)(F).

"Expected Energy Production" means the Energy Production, which ENGIE Services U.S. anticipates will be realized from the installation and continued operation of the Work, as set forth in this Attachment E, Section (II).

"**Measurement Period**" means each 12-month period commencing with the first day of the month immediately following the M&V Commencement Date.

II. Terms and Conditions

A. Production Guarantee

ENGIE Services U.S guarantees that not less than ninety percent (90%) of the Expected Energy Production for each site in Table E-1 will be produced every Measurement Period during the Term (the "Production Guarantee"), subject to adjustment as set forth in Attachment E, Section (III),

Table E-1: First Year Solar PV Production

Location	Annual Expected Energy Production (kWh)
County Civic Center	840,530
IT Department	674,264
Total	**1,514,794**

B. Energy Savings Report

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ENGIE Services U.S. will provide a detailed reconciliation of the Production Guarantee to Customer annually, within ninety (90) days after the end of each Measurement Period. Such reconciliation will compare annual Energy Production, Expected Energy Production, Adjusted Expected Energy Production, and any Production Shortfalls and Production Shortfall Penalties that may have occurred. The Energy Savings Report will also document historical performance of previous Measurement Periods.

C. Interference.
County may not cause, and will take all commercially reasonable steps to prevent any third party from causing, any overshadowing, shading or other interference with the solar insolation that falls on the Generating Facility. Upon discovering, or otherwise becoming aware of, any actual or potential overshadowing, shading or other interference with insolation, County will promptly notify ENGIE Services U.S. If an unforeseeable overshadowing or shading condition not caused by ENGIE Services U.S. or its subcontractors exists and continues for five (5) Business Days or more, County agrees that the Production Guarantee for such Generating Facility will be reduced based upon such shading condition, and ENGIE Services U.S. may present County with a proposed reduction to the Production Guarantee reflecting such overshadowing, shading or other interference.

D. Solar Insolation.
Beginning at Beneficial Use or Substantial Completion for any portion of the Work, County will maintain buildings and surrounding areas such that the Generating Facilities access to insolation is not reduced. Such maintenance to include maintaining all landscaping (including tree trimming) in and around the Generating Facilities.

E. Termination of Production Guarantee.
If (i) County notifies ENGIE Services U.S. in writing of its intent to terminate the M&V Services, (ii) the Contract is terminated by ENGIE Services U.S. for default by County or by County for any reason permitted by the Contract, (iii) ENGIE Services U.S. is no longer the provider of the Maintenance Services set forth in Attachment F, or (iv) County fails to maintain the Project in accordance with this Attachment E or is in default of any of its other obligations under this Attachment E, the obligation of ENGIE Services U.S. to prepare and deliver the Energy Savings Report and to make Production Shortfall Penalty payments will also be terminated. If such termination occurs on a date other than the last day of a Measurement Period, ENGIE Services U.S. will have no obligation to make a Production Shortfall Penalty payment or prepare and deliver an Energy Savings Report for such Measurement Period.

F. Annual M&V Fee.

i. Invoicing and Payment. The Annual M&V Fee for the first Measurement Period will be invoiced by ENGIE Services U.S. to County in a lump sum on the M&V Commencement Date. All subsequent Annual M&V Fees will be invoiced by ENGIE Services U.S. on the first day of the corresponding Measurement Period. County, or its designee, will pay ENGIE Services U.S. such Annual M&V Fee, without any retention amount withheld, within thirty (30) calendar days after its receipt of the corresponding invoice. Unless County gives ENGIE Services U.S. prior written notice of its intent to terminate the M&V Services, any failure to timely pay the Annual M&V Fee in accordance with this Attachment E, Section (II)(i) will be a material default by County under the Contract, and ENGIE Services U.S., in addition to any other legal, contractual and equitable remedies available to it, will have no obligation thereafter to perform M&V Services or to make Production Shortfall Penalty payments.

ii. Any amount not paid when due will, from and after the due date, bear Interest. Accrued and unpaid Interest on past due amounts (including Interest on past due Interest) will be due and payable upon demand.

iii. Not Refundable. The Annual M&V Fee is not refundable for any reason.

III. Methodologies and Calculations

After the end of every Measurement Period, ENGIE Services U.S will compare the Energy Production that has occurred in the aggregate, by site, over the Measurement Period then ended with the aggregate Expected Energy Production, by site, for such Measurement Period from Table E-1 after:

(a) reducing Expected Energy Production to account for any loss of Energy Production attributable to
- (i) scheduled outages required under Attachment F Maintenance Services
- (ii) decreases in Insolation as defined in this Attachment E, Section (II)
- (iii) inadequate Customer Maintenance as defined in this Attachment E, Section (II)
- (iv) production degradation of 0.5% per year, on a cumulative basis
- (v) Energy Production Factors
- (vi) and Excusable Events, excluding Abnormally Severe Weather Conditions; and then

(b) multiplying the result by the Weather Adjustment, defined this Attachment E, Section (III)(D), (collectively, the "Adjusted Expected Energy Production").

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A. Production Shortfall
If the Energy Production for a Measurement Period was less than ninety percent (90%) of the Adjusted Expected Energy Production for such Measurement Period, then the "Production Shortfall" (in units of kWh) will be the difference between
(i) ninety percent (90%) of the Adjusted Expected Energy Production for such Measurement Period minus
(ii) the aggregate Energy Production for such Measurement Period.

The existence of a Production Shortfall will not be an event of default, but ENGIE Services U.S. will owe Customer a Production Shortfall Penalty which will be payable to Customer via check or other agreed-upon means.

B. Production Shortfall Penalty
The "Production Shortfall Penalty" will be an amount, expressed in Dollars, calculated by multiplying (i) the Production Shortfall (expressed in kWh) by (ii) the Shortfall Rate for the applicable Measurement Period.

C. Shortfall Rate
The "Shortfall Rate" will be the rate listed in Table E-2, increased each Measurement Period on a cumulative basis by five point two percent (5.2%) beginning on the first anniversary of the M&V Commencement Date and continuing on the first day of each Measurement Period thereafter.

Table E-2: Shortfall Rates

Location	Electricity Rate ($/kWh)
County Civic Center	0.3177
IT Department	0.2028

D. Weather Adjustment
Whenever the measured annual global incident irradiation for a Measurement Period is less than the expected annual global incident irradiation, the Adjusted Expected Energy Production for such Measurement Period will be multiplied by a ratio, expressed as a percentage, calculated by dividing
(i) the measured annual global incident irradiation for such Measurement Period by
(ii) the Expected Annual Global Incident Irradiation

For purposes of this adjustment, the "Expected Annual Global Incident Irradiation" for each site is as shown in Table E-3.

Table E-3: Expected Annual Global Incident Irradiation

Location	Irradiation (kWh/m2)
County Civic Center – Rooftop	1,899.0
County Civic Center – Canopy	1,926.6
IT Department – Rooftop	1,928.7
IT Department – Canopy	1,885.2

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ATTACHMENT F

MAINTENANCE SERVICES

EQUIPMENT AND FACILITIES COVERED

ENGIE Services U.S. will perform preventive maintenance services ("Maintenance Services") as set forth in this Attachment F with respect to Generating Facilities being constructed on County's property at the following Project Locations:

Site Name	Site Address	City	State	Zip Code
Civic Center	240 Church Street	Salinas	CA	93901
Information Technology Department	1590 Moffett Street	Salinas	CA	93905

Capitalized terms used in this Attachment F and not defined in the Contract, have the meanings set forth below:

I. Definitions

"**Annual Maintenance Fee**" means a fee payable annually in advance by County to ENGIE Services U.S., in consideration of the provision of up to twenty (20) years of Maintenance Services. The Annual Maintenance Fee for the first Measurement Period will be Twenty-Two Thousand One Hundred Thirty-Eight Dollars ($22,138.00). The Annual Maintenance Fee will be increased annually thereafter at the rate of five percent (5%) per annum for the first ten (10) Measurement Periods, each increase to be effective on the first day of the corresponding Measurement Period. The Annual Maintenance Fee for each Measurement Period after the tenth (10^{th}) Measurement Period will be negotiated in good faith by the Parties, not later than ninety (90) days prior to the end of the preceding Measurement Period, on the basis of then-prevailing market rates for, e.g., labor and equipment.

II. Term

So long as Customer pays to ENGIE Services U.S. the Annual Maintenance Fee, ENGIE Services U.S. will provide the Maintenance Services, as described herein, up to twenty (20) years from the M&V Commencement Date on an annualized basis. At the end of this term, County may:

a. Enter into another agreement with ENGIE Services U.S. to perform Maintenance Services
b. Enter into an agreement with another service provider.
c. Self-perform preventive maintenance.

III. Annual Maintenance Fee; Reporting

The Annual Maintenance Fee for the first Measurement Period will be invoiced by ENGIE Services U.S. to Customer in a lump sum on the M&V Commencement Date. All subsequent Annual Maintenance Fees will be invoiced by ENGIE Services U.S. on the first day of the corresponding Measurement Period. County, or its designee, will pay ENGIE Services U.S. such Annual Maintenance Fee, without any retention amount withheld, within thirty (30) calendar days after its receipt of the corresponding invoice. Any failure to timely pay the Annual Maintenance Fee in accordance with this Attachment F will be a material default by Customer, and ENGIE Services U.S., in addition to any other legal, contractual and equitable remedies available to it, will have no obligation thereafter to provide Maintenance Services.

Any amount not paid when due will, from and after the due date, bear Interest. Accrued and unpaid Interest on past due amounts (including Interest on past due Interest) will be due and payable upon demand.

The Annual Maintenance Fee is not refundable for any reason.

Upon completion of any maintenance or repair work, ENGIE Services U.S. will update service logs detailing the work performed, location and any notes relevant to safe and efficient operations. These service logs will be compiled and submitted to County on a quarterly basis.

If ENGIE Services U.S. is no longer the provider of Maintenance Services, County's new provider will maintain similar service logs. ENGIE Services U.S. will have reasonable access to inspect service logs to determine that adequate Maintenance Services are being performed.

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IV. Preventive Maintenance Services Provided

ENGIE Services U.S. will provide the following Maintenance Services during the term:

a. Inspection: Inspect PV modules, combiner boxes, inverters, isolation transformers, and PV service roof penetrations and support structure on an annual basis.

b. Testing: Perform voltage testing, amperage testing, and infrared scans of inverters, combiner boxes, disconnects and switchgear on an annual basis.

c. Monitoring: Monitor system performance on a daily basis.

d. Cleaning:

   i. Remove dust, dirt, and debris from outside cabinets of combiner boxes, inverters, transformers, and disconnect switches on an annual basis.

   ii Wash PV modules and remove accumulated dust and debris on a twice annual basis.

V. Repair Services

If a Generating Facility is damaged and requires safe-off, repair, demolition and/or reconstruction, or otherwise requires repair outside of warranty or outside of the Maintenance Services described in Section 3.01, County must contact the ENGIE Services U.S. PV Operations & Maintenance Manager and submit a request for quotation. ENGIE Services U.S. will inspect the damage and provide a written quotation and complete scope of work to County to restore the Generating Facility to normal operational condition. Before proceeding with repairs, ENGIE Services U.S. and County must execute a Work Order, on ENGIE Services U.S.'s form, a sample of which is attached hereto as Exhibit F-1, for the agreed scope of work and quotation amount. Quotations for repair work are calculated on a time and materials basis. Standard Business Hours are M-F, 7am to 5pm. Non-business Hours & Saturdays equals 1.5x Rates. Sundays & Holidays equals 2.0x Rates.

VI. Labor Category	Straight Time	
Hourly Rate – PV Electrical Journeyman Technician[1]	$/hr.	County Labor Rate
Hourly Rate – PV Electrical Apprentice Technician[1]	$/hr.	County Labor Rate
Hourly Rate – Senior PV Tech/Commissioning[2]	$/hr.	$175.00
Hourly Rate – Engineering[2]	$/hr.	$185.00
Hourly Rate – Project Management [2]	$/hr.	$230.00
Hourly Rate – Administrative[2]	$/hr.	$108.00
Mileage	$/Mi	$1.00
Material mark-up %	%	15%
Lift rental fee	$	Current Market Price

[1] *Trade Hourly rate will be adjusted based on the current year of the local prevailing wage determination plus burden, requirement for either travel or subsistence and lodging, and markup for services being requested*.

[2] *Escalated according to inflation rate of the year in which service occurs.*

VII. Warranty Services

The ENGIE Services U.S. PV Operations & Maintenance Manager will also be County's point of contact for all issues related to the ENGIE Services U.S. Warranty set forth in Section 9.01 of the Contract. County should refer to Section 9.02 of the Contract for services provided by ENGIE Services U.S. to County in relation to manufacturer's warranties. The terms and conditions of the relevant manufacturer's warranties can be found in the operation and maintenance manuals delivered to County at Final Completion.

VII. Services and Equipment to Be Covered by County

ENGIE Services U.S.'s obligations under this Attachment F are expressly conditioned upon County's payment of the Annual Maintenance Fee and providing and being responsible for the following, without cost to ENGIE Services U.S.:

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a. Making the Generating Facilities described herein available to ENGIE Services U.S. as of the Contract Effective Date.
b. Operating and maintaining security systems associated with the Generating Facilities.
c. Inverter manufacturer warranty or replacement beyond the ten (10) year manufacturer term.
d. Maintaining all landscaping in and around Generating Facilities including tree trimming.
e. In order to ensure maximum guaranteed solar PV system generation, the County will be responsible for regular tree trimming and maintenance of one (1) tree at Information Technology Department as noted in Attachment C to not grow above thirty feet (30') in height and maintain ten feet (10') of horizontal distance from the edge of the array.
f. Allowing ENGIE Services U.S. and its personnel access as necessary to the Generating Facilities, and any related areas that may be reasonably necessary for performance of the Maintenance Services, including reasonable work, parking, and equipment staging areas.
g. Allowing ENGIE Services U.S. and its personnel to access electrical power and other utilities then existing at the Generating Facilities as necessary for ENGIE Services U.S. to satisfy its obligations under the Contract.
h. Remediating, pursuant to Applicable Law, any known Hazardous Substances encountered by ENGIE Services U.S. during the performance of the Maintenance Services which Hazardous Substances were not deposited by ENGIE Services U.S., including any backfill with clean soil as may be reasonably required.
i. Insuring the Generating Facilities against loss due to acts of God and the public enemy; flood, earthquake, tornado, storm, fire; civil disobedience, sabotage, and vandalism.
j. Timely reporting of, and permitting timely repair of, Generating Facilities damaged by County Persons or third parties, including damage resulting from parking lot activities. Cost of repairs is the responsibility of County.

ENGIE Services U.S. will have no obligation to provide the Maintenance Services to the extent such provision of Maintenance Services is materially adversely affected by County's failure to satisfy the conditions set forth in this Attachment F.

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EXHIBIT F-1
FORM OF WORK ORDER

Work Order #__

This Work Order ("Work Order") dated _____ ("Work Order Effective Date") is issued pursuant to and is subject to the terms and conditions of the Energy Services Agreement ("Agreement") by and between ENGIE Services U.S. Inc. ("ENGIE Services U.S.") and _____ ("Customer") dated _____. The terms and conditions of the Agreement are hereby incorporated into and made a part of this Work Order for all purposes.
Project Name:
Scope of Work:
Electrical and Structural Repairs:

Exclusions: [*edit, as needed*]

- Premium Time or Over Time
- Work on Nights or Weekends
- Cutting, Patching or Painting
- Permitting
- Plan Revisions
- Review/Edit/Writing of Specifications
- Geotechnical Reports/Inspections
- PLA/PSA Agreements
- Irrigation System Inspection/Repairs
- Landscape Repair/Tire Track Removal
- Landscape Maintenance
- Infestations

Cost Estimate: [*insert*]

Pricing assumes State prevailing wages for on-site labor. Quote valid for 30 days.
Payment to ENGIE Services U.S. is not contingent on Customer's receipt of any insurance proceeds and will be invoiced by ENGIE Services U.S. to Customer in a lump sum upon the completion of the work under this Work Order.

Acceptance and Notice to Proceed
By signing below, Customer agrees to the terms and conditions set forth in this Work Order and authorizes ENGIE Services U.S. to proceed with the scope of work set forth herein.

The Parties may execute this Work Order in counterparts, each counterpart constituting an original, and all counterparts, collectively, constituting only one Work Order. The signatures of each Party need not appear on the same counterpart, and in the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature will create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

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IN WITNESS WHEREOF, and intending to be legally bound, the Parties hereto subscribe their names to this Work Order by their duly authorized officers as of the Work Order Effective Date.

CUSTOMER:	**ENGIE:**
(type Customer name here)	ENGIE Services U.S. Inc.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

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ATTACHMENT G

SCHEDULE OF VALUES

Civic Center	**$5,242,600**
Mobilization (20%)	**$1,048,520**
Canadian Solar 545w Modules	$379,539
Preliminary Engineering	$668,981
Solar PV	**$3,312,960**
Engineering	$331,296
Equipment	$993,888
Labor	$1,987,776
EV Charging	**$881,120**
Engineering	$88,112
Equipment	$264,336
Labor	$528,672
Information Technology Department	**$3,297,100**
Mobilization (20%)	**$659,420**
Canadian Solar 545w Modules	$238,695
Preliminary Engineering	$420,725
Solar PV	**$2,233,360**
Engineering	$223,336
Equipment	$670,008
Labor	$1,340,016
EV Charging	**$404,320**
Engineering	$40,432
Equipment	$121,296
Labor	$242,592
Total	**$8,539,700**

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APPENDIX 1

SCHEDULED COMPLETION DATES

The table below shows the Scheduled Completion Dates for the Project. These dates may be adjusted based on Excusable Events as defined in this Contract, or due to an executed Change Order.

Milestone	Duration from a Signifying Event	Signifying Event
County and ENGIE Execute Design Build Agreement	0 Days	
Notice To Proceed	10 Days	Contract Execution
Submittal of 60% Drawing Sets	40 Days	Notice to Proceed
County Responses to 60% Drawing Sets	10 Days	Submittal of 60% Drawing Sets
Submittal of 90% Drawing Sets	60 Days	Notice to Proceed
County Responses to 90% Drawing Sets	10 Days	Submittal of 90% Drawing Sets
Submittal of Final Engineering Drawings for Permit	85 Days	Notice to Proceed
Construction Start	90 Days	Permit Approvals
County Civic Center Substantial Completion	230 Days	Permit Approvals
Information Technology Department Substantial Completion	230 Days	Permit Approvals
Final Completion	500 Days	Permit Approvals

Note: This Schedule assumes that the County will reply to all Submittals and Requests for Information (RFIs) within ten (10) business days. Any delays in responses to Submittals or RFIs beyond this time will extend the schedule and may result in a corresponding Change Order.

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APPENDIX 2

PROVISIONAL SOLAR PV AND ELECTRIC VEHICLE CHARGING STATION LAYOUTS

Figures 1 through 2 show the provisional locations of the Solar PV structures and the EV charging stations.

- Orange “LP” designates light poles that will need to be removed.
- Green “T” designates trees and other vegetation that will need to be removed and/or trimmed.

Figure 1 – Civic Center

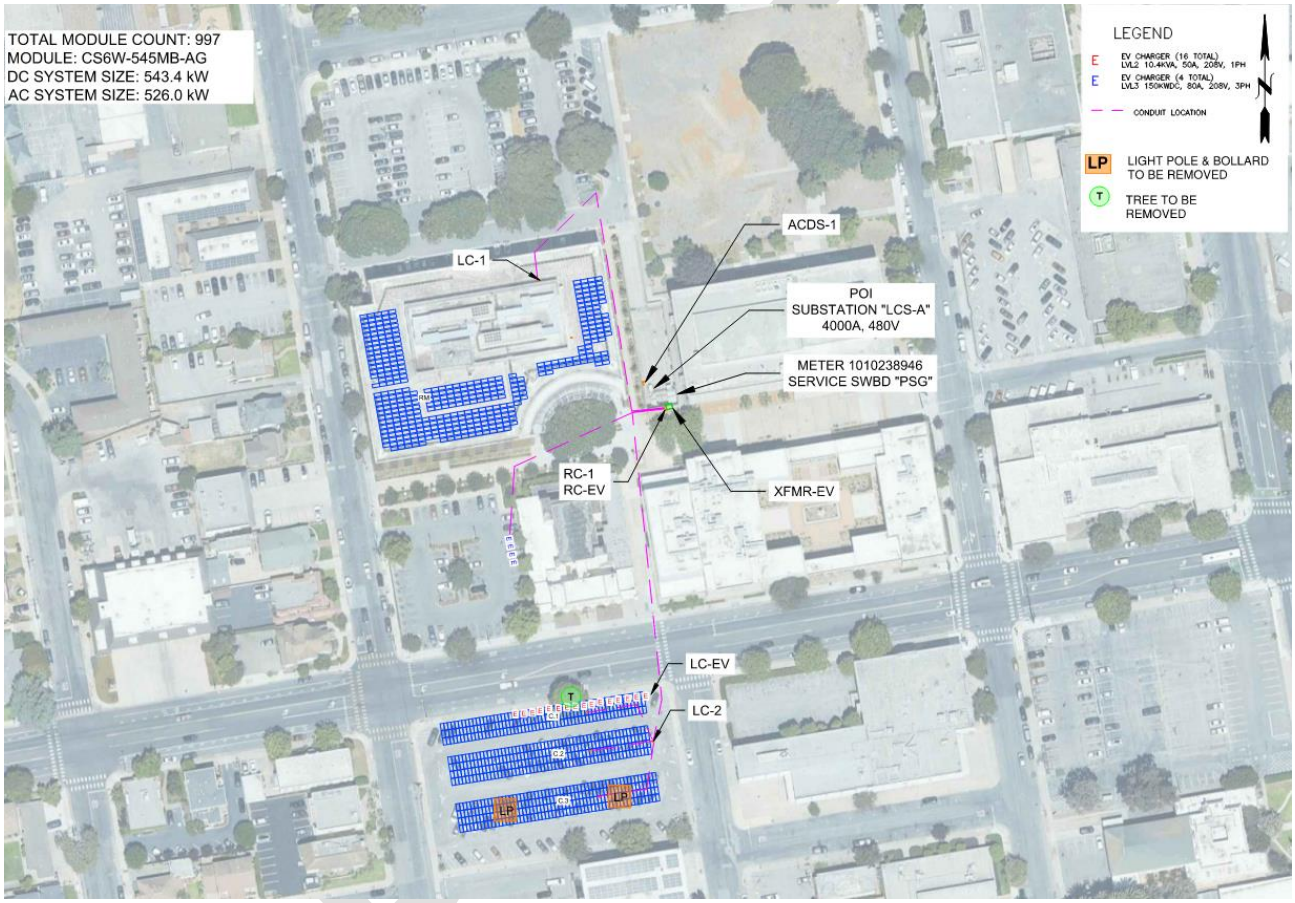

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Figure 2 – Information Technology Department

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COUNTY OF MONTEREY NON-STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

PowerDMS, Inc.

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide: PowerEngage software to the Emergency Communications Department.

2.0 PAYMENT PROVISIONS:

2.01 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 17,572.50.

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from 9/29/2025 to 9/28/2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

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3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately. County shall receive no refund of previously paid license fees in the event it terminates for convenience.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other: Modifications to Standard Agreement

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5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 CONTRACTOR shall not receive reimbursement for mileage or travel expenses unless set forth in this Agreement.

7.0 TERMINATION:

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7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination. **County shall not be entitled to refund of previously paid license fees in the event it terminates for convenience.**

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to

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indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

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9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Workers' Compensation Waiver of Subrogation:

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials,

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employees, agents, or volunteers.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance and endorsements with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.01 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after reciept of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining

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to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

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10.05 **Royalties and Inventions:** ~~County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement.~~ CONTRACTOR shall not publish any such material without the prior written approval of County.

10.06 **Format of Deliverables:** For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.01 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses,

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pay all charges and fees, and give all notices require by law in the performance of the Services.

13.02 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.03 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Lee Ann Magoski - Director of Emergency Communications Department	PowerDMS Renewals
Name and Title	Name and Title
1322 Natividad Road Salinas CA 93906	2120 Park Place Suite 100 El Segundo, CA 90245
Address	Address
831-769-8880	renewals@powerdms.com
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance

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of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

Initial SB Initial SM

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. ~~None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County.~~ Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

Initial SB Initial SM

16.17 See Exhibit B for additional terms incorporated into this Agreement

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.01 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.02 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.03 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

********** THIS SECTION INTENTIONALLY LEFT BLANK **********

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18.0 SIGNATURE PAGE

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

NEOGOV LEGAL KS
11:21 am, Jun 04 2025

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: Signed by: Samuel Biderwell
31B2028C241644B...
County Counsel

Date: 8/7/2025 | 9:16 AM PDT

Approved as to Fiscal Provisions

By: _____
Auditor/Controller

Date: _____

Reviewed as to Liability Provisions
Office of the County Counsel-Risk Management

By: _____
David Bolton, Risk Manager

Date: _____

CONTRACTOR

PowerDMS, Inc.
Contractor/Business Name *

By: DocuSigned by:
B33C185B080A454...

Sandy Miranda Chief Customer Officer
Name and Title

Date: 6/4/2025 | 9:21:44 AM PDT

By: Signed by: Aaron Coleman
BD7BF76F47574A4...

Aaron Coleman COO
Name and Title

Date: 6/11/2025 | 10:19:31 AM PDT

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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Exhibit A To Agreement by and between Monterey County, through its Emergency Communications Department, hereinafter referred to as "COUNTY"
AND
PowerDMS, Inc., hereinafter referred to as "CONTRACTOR"

Scope of Services / Payment Provisions

SCOPE OF SERVICES

CONTRACTOR'S Duties. CONTRACTOR shall provide to COUNTY an online subscription license for PowerEngage, including an automated text message / text survey platform for 9-1-1 or Dispatch Centers based on interaction with the 9-1-1 Center / Dispatch Centers, Rules Engine, a Survey Builder about the interaction with the Center Staff, Measurement Dashboards, and Task Creation and Positive Feedback. The license shall also include connection to agency Computer Aided Dispatch (CAD).

CAD/RMS Assumptions. The parties agree that the fees specified with respect to the PowerEngage Platform do not include any additional fees that the County's CAD or RMS vendor may charge, if any. This Agreement is entered into with the mutual assumption that the PowerEngage Platform will be able to make a connection to County's CAD or RMS replicated or reporting database directly or will be able to read from a file produced for such a purpose.

CAD/RMS Provisions. Any County CAD and/or RMS data made available to CONTRACTOR in connection with the provision of the PowerEngage Platform shall be kept confidential by the CONTRACTOR.

SOW. CONTRACTOR shall provide the PowerEngage software, training, configuration and support services with respect to the PowerEngage Platform, and County acknowledges that its cooperation is required for efficient and timely completion of these services of the PowerEngage Platform, in accordance with the following:

Power Engage Software. PowerEngage will be used to survey citizens that have interacted with County, send messages to citizens or other stakeholders and gather and report on data. County will be able to configure the surveys and rules based on data received from the Computer Aided Dispatch System. The results of the surveys will be stored within PowerEngage and available for display in a Feedback Board and within the analytics component called Measure. Other rules and messages can be built to be triggered to send on certain events as driven by the rules engine.

SUPPORT SERVICES

Training. If CONTRACTOR makes updates or changes to the PowerEngage Platform, CONTRACTOR shall provide all necessary training to County on these updates and changes.

Telephone Assistance. County will be given the telephone number for a support line and will be entitled to contact the support line during normal operating hours (between 7:30am and 5:30pm Central Time) on regular business days, excluding CONTRACTOR holidays, to consult with CONTRACTOR technical support staff concerning problem resolution, bug reporting, documentation clarification, and general technical guidance. Assistance may include remote connectivity, modem, or electronic bulletin board.

Software Problem Reporting. County may submit requests to CONTRACTOR identifying potential problems in the PowerEngage software. Requests should be in writing and directed to CONTRACTOR by e-

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mail, or through the CONTRACTOR support website. CONTRACTOR retains the right to determine in the final disposition of all requests and will inform County of the disposition of each request. If CONTRACTOR acts upon a request, it will do so by providing a bug fix.

Scheduled Maintenance. Software may be unavailable periodically for system maintenance. Regular system maintenance includes installation of the software updates, operating system updates/patches and updates to other third-party applications as needed. County may be notified of maintenance periods via an email message or via a banner on the main page of the PowerEngage Platform.

Exclusions from Technical Support Services. CONTRACTOR shall have no support obligations with respect to any third-party hardware or software product.

PAYMENT PROVISIONS

In consideration of Pilot Agreement #1520-22001 between CueHit, Inc. and the County of Monterey which was executed on September 29, 2021, PowerDMS, Inc. agrees to honor the Pilot Client Subscription Price where the maximum price for the PowerEngage Software and Support Services shall not exceed six thousand fifty dollars ($6,050) per year in perpetuity.

CONTRACTOR shall invoice County at the beginning of each annual term.

County shall pay CONTRACTOR an amount not to exceed $17,572.50 for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Work. CONTRACTOR'S compensation for services rendered shall be based on the rates as forth below:

Item	Cost per Annual Term	Start Date	End Date	Term	Total
PowerEngage Subscription	$5,857.50	9/29/25	9/28/28	3 (Years)	$17,572.50
Automated text message / text survey platform for 9-1-1 or Dispatch Centers based on interaction with the 9-1-1 Center / Dispatch Center . Includes Rules Engine, Survey Builder - about the interaction with the Center Staff, Measurement Dashboards, Task Creation and Positive Feedback. Includes connection to agency Computer Aided Dispatch (CAD). Does not include fees, if any, charged by the CAD vendor.					
					TOTAL: $17,572.50

This price does not include any sales tax.

(END OF EXHIBIT A)

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Exhibit B To Agreement by and between Monterey County, through its Emergency Communications Department, hereinafter referred to as "COUNTY"
AND
PowerDMS, Inc., hereinafter referred to as "CONTRACTOR"

.

The parties agree that Section 16.17 is added to the Agreement with the following language:

Section 16.17.A Cloud License. "Cloud Services" means PowerEngage. Subject to and conditioned on County's and its Authorized Users' compliance with the terms and conditions of this Agreement, Contractor hereby grants to County a limited, non-exclusive, non- transferable, and non-sublicensable license to (a) access and use, and to permit Authorized Users to access and use, the Cloud Services specified herein solely for County's internal purposes; (b) generate, print, copy, upload, download, store and otherwise process all County Data as may result from any access to or use of the Cloud Services; and (c) train Authorized Users in uses of the Cloud Services permitted hereunder. "Authorized Users" means (i) County employees, and (ii) County agents, contractors, consultants, and their respective employees, all of which are pre-approved by Contractor. Contractor shall not use the Cloud Services for any other purposes.

Section 16.17.B Delivery and License Term. Contractor delivers the Cloud Services by providing County with online access. When County accesses Contractor Cloud Services, it accepts it for use in accordance with this Agreement.

Section 16.17.C Training Materials. Primary training of Contractor Services is conducted by self- review of online materials. Contractor's pre-built, online training, consists of a series of tutorials to introduce the standard features and functions (the "Training Materials"). The Training Materials may be used as reference material by County Personnel conducting day-to-day activities.

Section 16.17.D Modifications, Updates, and Upgrades. Contractor may in its sole discretion, periodically modify, Update, and Upgrade the features, components and functionality of the Services during the Term. "Update" means any update, bug fix, patch or correction of the Services or underlying Contractor software that Contractor makes generally available to its customers of the same module, excluding Upgrades. Updates are automatic and available upon County's next login to the Services following an Update at no additional cost to County. "Upgrade" means any update of the Services or underlying Contractor software such as platform updates, and major product enhancements and/or new features that Contractor makes commercially available. Contractor shall have no obligation to provide Upgrades to customers and retains the right to offer Upgrades free of cost or on a per customer basis at additional cost. If an Upgrade has a cost to County, County may refuse the upgrade and continue to use the current version for the duration of this Agreement. Contractor shall have no liability for, or any obligations to, investments in, or

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modifications to County's hardware, systems or other software which may be necessary to use or access the Services due to a modification, Update, or Upgrade of the Services.

Section 16.17.E Contractor Intellectual Property. Contractor shall exclusively own all right, title and interest in and to all pre-existing and future intellectual property developed or delivered by Contractor including all Services, products, systems, software (including any source code or object code) or Service Specifications related thereto, Updates or Upgrades, trademarks, service marks, logos and other distinctive brand features of Contractor and all proprietary rights embodied therein (collectively, the "Contractor Intellectual Property"). This Agreement does not convey or transfer title or ownership of the Contractor Intellectual Property to County or any of its users. All rights not expressly granted herein are reserved by Contractor. Other than recommendation use or as required by law, all use of Contractor Trademarks must be pre-approved by Contractor prior to use. Trademarks shall include any word, name, symbol, color, designation or device or any combination thereof that functions as a source identifier, including any trademark, trade dress, service mark, trade name, logo, design mark or domain name, whether or not registered.

Section 16.17.F No Other Warranty. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS WARRANTY SECTION, THE SERVICES ARE PROVIDED ON AN "AS IS" BASIS, AND CUSTOMER'S USE OF THE SERVICES IS AT ITS OWN RISK. Contractor DOES NOT MAKE, AND HEREBY DISCLAIMS, ANY AND ALL OTHER EXPRESS AND/OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT AND TITLE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICE. Contractor DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED, ERROR-FREE, OR COMPLETELY SECURE, OR THAT ANY ERROR WILL BE CORRECTED.

Section 16.17.G Disclaimer of Actions Caused by and/or Under the Control of Third Parties. Contractor DOES NOT AND CANNOT CONTROL THE FLOW OF DATA TO OR FROM THE Contractor SYSTEM AND OTHER PORTIONS OF THE INTERNET. SUCH FLOW DEPENDS IN LARGE PART ON THE PERFORMANCE OF INTERNET SERVICES PROVIDED OR CONTROLLED BY THIRD PARTIES. AT TIMES, ACTIONS OR INACTIONS OF SUCH THIRD PARTIES CAN IMPAIR OR DISRUPT CUSTOMER'S CONNECTIONS TO THE INTERNET (OR PORTIONS THEREOF). ALTHOUGH Contractor WILL USE COMMERCIALLY REASONABLE EFFORTS TO TAKE ALL ACTIONS IT DEEMS APPROPRIATE TO REMEDY AND AVOID SUCH EVENTS, Contractor CANNOT GUARANTEE THAT SUCH EVENTS WILL NOT OCCUR. ACCORDINGLY, Contractor DISCLAIMS ANY AND ALL LIABILITY RESULTING FROM OR RELATED TO SUCH EVENTS.

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Section 16.17.H Waiver. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY OR TO ANY OTHER PERSON OR ENTITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, CUSTOMER'S USE OR, OR INABILITY TO USE, THE SERVICES, UNDER ANY CIRCUMSTANCE, CAUSE OF ACTION OR THEORY OF LIABILITY, OR DUE TO ANY EVENT WHATSOEVER, FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, OR EXEMPLARY DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, LOSS OF BUSINESS OPPORTUNITY OR PROFIT, LOSS OF USE, LOSS OF GOODWILL OR BUSINESS STOPPAGE, EVEN IF A PARTY KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

Section 16.17.I Limitation. WITHOUT LIMITATION OF THE ABOVE, EXCEPT FOR DAMAGES ARISING OUT OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR ANY OTHER LIABILITY WHICH CANNOT BE LAWFULLY EXCLUDED OR LIMITED, THE TOTAL LIABILITY OF EITHER PARTY FOR ANY AND ALL CLAIMS AGAINST THE OTHER PARTY UNDER THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT OF ALL PAYMENTS ACTUALLY RECEIVED BY Contractor FROM CUSTOMER DURING THE RELEVANT YEAR OF THIS AGREEMENT DURING WHICH THE CAUSE OF ACTION AROSE. THE FOREGOING LIMITATION OF LIABILITY IS CUMULATIVE WITH ALL PAYMENTS FOR CLAIMS OR DAMAGES IN CONNECTION WITH THIS AGREEMENT BEING AGGREGATED TO DETERMINE SATISFACTION OF THE LIMIT. THE EXISTENCE OF ONE OR MORE CLAIMS WILL NOT ENLARGE THE LIMIT. THE PARTIES ACKNOWLEDGE AND AGREE THAT THIS LIMITATION OF LIABILITY IS AN ESSENTIAL ELEMENT OF THE BASIS OF THE BARGAIN BETWEEN THE PARTIES AND SHALL APPLY NOTWITHSTANDING THE FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. EACH PARTY ACKNOWLEDGES THAT THIS LIMITATION OF LIABILITY REFLECTS AN INFORMED, VOLUNTARY ALLOCATION BETWEEN THE PARTIES OF THE RISKS (KNOWN AND UNKNOWN) THAT MAY EXIST IN CONNECTION WITH THIS AGREEMENT AND HAS BEEN TAKEN INTO ACCOUNT AND REFLECTED IN DETERMINING THE CONSIDERATION TO BE GIVEN BY EACH PARTY UNDER THIS AGREEMENT AND IN THE DECISION BY EACH PARTY TO ENTER INTO THIS AGREEMENT.

(END OF EXHIBIT B)

Docusign Envelope ID: AC0491F1-E183-4534-BF97-3BF0B65D050C

Introduced: 8/12/2025
Version: 1

Current Status: Agenda Ready
Matter Type: BoS Agreement

a. Approve and authorize the Public Defender to execute an Agreement with Dataflow Business Systems Inc., to provide two (2) multi-function Ricoh copiers model IM C6010 and IM 6000 for the Public Defender's Office, in the amount of $36,500, for a three-year term retroactive date of July 1, 2025 through June 30, 2028;
b. Approve and authorize the Public Defender to execute up to three (3) amendments, subject to County Counsel review, extending the agreement by one (1) year each, where total additional costs do not exceed 10% of the contract amount ($3,650) and the amendments do not significantly alter the scope of work, and do not exceed the maximum amount of $40,150.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Approve and authorize the Public Defender to execute an Agreement with Dataflow Business Systems Inc., to provide two (2) multi-function Ricoh copiers model IM C6010 and IM 6000 for the Public Defender's Office, in the amount of $36,500, for a three-year term retroactive date of July 1, 2025 through June 30, 2028;
b. Approve and authorize the Public Defender to execute up to three (3) amendments, subject to County Counsel review, extending the agreement by one (1) year each, where total additional costs do not exceed 10% of the contract amount ($3,650) and the amendments do not significantly alter the scope of work, and do not exceed the maximum amount of $40,150.

SUMMARY:
The Public Defender’s office upgraded current leased copier machines with Ricoh models IM 6000 and IM C6010 to streamline efficiently the demands of a criminal law department.

DISCUSSION:
The Public Defender's Office has been in contract with Dataflow Business Systems Inc. to provide Ricoh copiers since 2018. Dataflow continues to provide the department with rapid response in maintenance, customer service and continued training sessions.

The County has been working with Dataflow to ensure machines were upgraded while ensuring monthly rental fees stay within budgeted amounts. Lease for Ricoh model IM 6000 will be on a thirty-six-month term with a monthly rental fee of $257.03 per month plus $0.006 cost per black & white copy. Lease for Ricoh model IM C6010 will be on a thirty-six-month term with a monthly rental

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fee of $346.55 per moth plus $0.055 cost per color copy and $0.0075 cost per black & white copy.

OTHER AGENCY INVOLVEMENT:
County Counsel has reviewed Agreement as to form. Information Technology department has reviewed Agreement as to form and has authorized the approval of this machines via the County's ITD Multifunction Machine Quote form.

FINANCING:
The costs associated with this agreement are included in the Public Defender's FY 2025-26 Adopted Budget, Fund 001, department 2270, Budget Unit 8169, Appropriation Unit PB001. Future year's costs will be included in the respective annual budgets.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:
This recommendation supports the Board of Supervisors Strategic Initiatives by promoting an organization that practices efficient and effective resource management.

Mark a check to the related Board of Supervisors Strategic Initiatives

__Economic Development
_X_Administration
__Health & Human Services
__Infrastructure
__Public Safety

Prepared by: Becky Avila, Management Analyst II, x.3048
Approved by: Nick Chiulos, Chief Assistant County Administrative Officer / Administrative Department Head, x.5145

Signed by:
Nick Chiulos
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Attachments:
Board Report
Standard Agreement Dataflow Business Systems

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INDEPENDENT EVALUATION OF THE FAMILY AND ME PROGRAM

DATA SHARING AGREEMENT

September 1, 2025

Between

COUNTY OF MONTEREY
DEPARTMENT OF SOCIAL SERVICES

And

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

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I. DECLARATION

This Data Sharing Agreement ("Agreement") is entered into by and between the **COUNTY OF MONTEREY DEPARTMENT OF SOCIAL SERVICES** ("MOCO DSS") and **the REGENTS OF THE UNIVERSITY OF CALIFORNIA** ("REGENTS") for the purpose of sharing data to allow the University of California, Berkeley Human Rights Center ("HRC") to conduct an independent evaluation of Monterey County families participating in the Commercially Sexually Exploited Children ("CSEC") Placement and Services Continuum Model (the "Pilot Continuum").

II. BACKGROUND

On February 11, 2025, MOCO DSS entered into an agreement with the City and County of San Francisco ("the city") and Seneca Family of Agencies to provide Pilot Continuum services to foster youth in Monterey County. The Pilot Continuum directly benefits youth who are at risk of, or have experienced, commercial sexual exploitation and their caregiver(s). The Pilot Continuum includes an emergency placement model, home-based placement model, and a short-term residential therapeutic program to increase placement stability and safety for youth in the program.

This agreement allows MOCO DSS to share data with the REGENTS in order to conduct a rigorous evaluation of the home-based care component of the Pilot Continuum called Family & Me ("FAM"), as required by grant funding for the Pilot Continuum. The FAM evaluation aims to understand youth and caregiver experiences with FAM, identify service needs and preferences of youth and caregivers, and understand how FAM influences outcomes among youth and caregivers over time. The evaluation includes semi-structured interviews with youth, caregivers, and service providers, surveys for youth and caregivers, as well as the analysis of administrative and service provision data.

III. TERM

This agreement shall commence effective September 1, 2025, and remain in full force and effect through December 31, 2025, unless sooner terminated as provided herein. Either party may terminate this agreement by giving thirty (30) days' written notice to the other party. This agreement is contingent upon the continued execution of the Pilot Continuum agreement in Monterey County.

IV. SCOPE OF SERVICES

DSS and the REGENTS agree to:

1. Share information pertaining to individual youth as needed for the purpose of evaluating the FAM program. Confidential information sharing shall only occur when the youth (and, where required by law, their legal representative) has provided a written informed release of information, or when otherwise authorized by existing law or policy. All such information sharing shall further comply with all applicable federal,

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state, and local laws and regulations, including but not limited to the federal Health Insurance Portability Information and Accountability Act of 1997 ("HIPAA"), California Welfare & Institutions Code section 10850, 45 CFR Sec. 205.50, and the California Department of Social Services' requirements for Confidential, Sensitive, and/or Personal Information and its Manual of Policies and Procedures, Chapter 19. Whether or not covered by W&I Code Sec. 10850 or by 45 CFR Sec. 205.50, confidential medical or personnel records and the identities of clients and complainants shall not be disclosed unless there is proper consent to such disclosure or a court order requiring disclosure.

DSS agrees to:

1. Allow DSS staff, including primary social workers serving FAM youth as well as management involved in FAM implementation, to join the evaluation and participate in interviews about the program every 6 months. Staff participation is voluntary and not required.
2. Share baseline and follow-up child welfare data for each youth who participates in FAM with HRC ("Data"). The Data includes the following:
    a. Youth's Client Identification (ID)
    b. Case Start Date
    c. Case ID
    d. Removal Date
    e. Reason for Removal
    f. Type of Maltreatment
    g. Type of Maltreatment in Foster Care
    h. Victim Perp Relationship
    i. Placement Start Date
    j. Alternative Care Provider Relationship
    k. Placement Facility Name
    l. Placement Facility Type
    m. Placement City
    n. Placement End Date
    o. Placement Change Reason
    p. Number
    q. Level of Care
    r. Frequency
    s. Number
    t. Duration
    u. Reasons for Leaving
    v. How many referrals youth has had
    w. How many cases they have had
    x. How long they've been in system

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y. What their case plan is: Date, intended outcome, secondary concurrent planning
z. Access to wrap-around services
aa. CSEC Risk
bb. Episodes and settings
cc. At risk list
dd. Child and family team meetings
ee. Educational enrollment

3. Assist HRC in obtaining consent for minors to participate in the FAM evaluation by allowing the primary social worker to provide the contact information of the FAM youth's attorney.

The REGENTS agree to:

1. Conduct rigorous evaluation of FAM, including but not limited to:
    a. Maintain Institutional Review Board (IRB) approval and abide by all requirements for ethical research
    b. Work with youth, families, and providers as needed for ongoing evaluation design and data collection
    c. Inviting DSS staff to participate in the evaluation
2. Reach out to the youth's attorney directly to obtain attorney permission for the youth under 18 to participate in the evaluation before obtaining informed assent from such youth. The youth's assent forms in addition to the attorney permission forms for youth under age 18 or consent forms inform youth that the evaluation will access their child welfare records.
    a. A copy of the assent form is attached to this Agreement in **Attachment A**.
    b. A copy of the consent form is attached to this Agreement in **Attachment B**.
    c. All signed forms will be retained by MOCO DSS.
3. Only use confidential information provided by DSS or through interviews for the purpose of evaluating the FAM program.

V. RECORDS AND CONFIDENTIALITY

A. CONFIDENTIALITY

The REGENTS (i) will use reasonable care to protect the security of the Data, (ii) will limit access to the Data to authorized recipients, and (iii) will not at any time during or after the term of this Agreement disclose Data to persons other than authorized recipients without first obtaining DSS' prior written consent, except as otherwise required by law in which case the REGENTS shall, unless prohibited by law, notify DSS prior to such disclosure. The REGENTS will report within seventy-two (72) hours, or as soon as reasonably possible, to DSS any disclosure of the Data not authorized by this Agreement of which it becomes aware.

Notwithstanding the foregoing, in no event is information Data if it: (a) was lawfully in the possession of the REGENTS or authorized recipients before receipt from DSS under this Agreement; (b) is or becomes publicly available other than as a result of a breach of this

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Agreement by the REGENTS; (c) is received by the REGENTS from a third party having an apparent bona fide right to disclose the information to the REGENTS; or (d) is independently developed by the REGENTS without use of the Data.

The REGENTS and its officers, employes, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. The REGENTS shall not disclose any confidential records or other confidential information received from DSS or prepared in connection with the performance of this Agreement, unless DSS specifically permits the REGENTS to disclose such records or information. The REGENTS shall promptly transmit to DSS any and all requests for disclosure of any such confidential records or information. The REGENTS shall not use any confidential information gained by the REGENTS in the performance of this Agreement except for the sole purpose of carrying out the REGENTS' obligations under this Agreement.

Either Party may disclose both the existence and purpose of the relationship that is the subject of this Agreement, including the existence and terms of this Agreement.

B. COUNTY RECORDS

When this Agreement expires or terminates, the REGENTS shall return to DSS any DSS records which the REGENTS used or received from DSS to perform services under this Agreement.

C. MAINTENANCE OF RECORDS

The REGENTS shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County of Monterey rules and regulations related to services performed under this Agreement. The REGENTS shall maintain such records for a period of at least three years after termination of this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then the REGENTS shall retain said records until such action is resolved.

VI. GENERAL PROVISIONS BETWEEN THE REGENTS AND THE COUNTY OF MONTEREY

A. INDEMNIFICATION

The REGENTS, to the extent permitted by law, shall indemnify, defend, and hold harmless the COUNTY OF MONTEREY, its officers, agents and employees from and against any and all claims, liabilities, and losses arising out of and directly related to the performance of this Agreement but only in proportion to and to the extent such claims, liabilities, and losses are caused by or result from the REGENTS' negligence or willful misconduct. The COUNTY OF MONTEREY, to the extent permitted by law, shall indemnify, defend, and hold harmless the REGENTS, its officers, agents and employees from and against any and all such claims, liabilities, or losses arising out of the sole negligence or willful misconduct of the COUNTY OF MONTEREY directly related to the performance of this Agreement.

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B. INSURANCE PROVISIONS

Insurance Coverage Requirements: Without limiting the REGENTS' duty to indemnify, THE REGENTS shall maintain in effect throughout the term of this Agreement self-insurance with the following minimum limits of liability:

Commercial **General Liability**, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000.00 (one million dollars) per occurrence and $2,000,000.00 (two million dollars) in aggregate and

Comprehensive **Automobile Liability** must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000.00 (one million dollars) per occurrence; and

Worker's Compensation Insurance: If the REGENTS employ others in the performance of this Agreement, the REGENTS shall maintain Worker's Compensation Insurance in accordance with California Labor Code Section 3700, and with Employer's Liability limits not less than $1,000,000.00 (one million dollars) each person, $1,000,000.00 (one million dollars) each accident, and $1,000,000.00 (one million dollars) each disease.

Professional Liability Insurance:
Instructions: Check YES or x NO. Professional Liability Insurance is usually required for contractors rendering professional services such as, but not limited to, medical services, legal services, engineering, accounting, and software design.

Professional Liability Insurance is required, pursuant to the following terms:

The REGENTS shall maintain in effect throughout the term of this Agreement Professional Liability Insurance in the amount of not less than $1,000,000 (one million dollars) per claim, and $2,000,000 (two million dollars) in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If Professional Liability Insurance is written on a "claims-made" basis rather than an occurrence basis, the REGENTS shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

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General Insurance Requirements: All insurance required by this Agreement shall be with a company acceptable to the COUNTY OF MONTEREY and authorized by law to transact insurance business in the State of California. Unless otherwise specified in this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date the REGENTS complete its performance of services under this Agreement. Each policy shall provide identical coverage for each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance showing each subcontractor has identical insurance coverage.

Comprehensive General Liability and Automobile Liability policies shall provide an endorsement naming the COUNTY OF MONTEREY, its officers, agents, and employees as Additional Insureds, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY OF MONTEREY, and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the REGENTS' insurance.

Prior to the execution of this Agreement by COUNTY OF MONTEREY, the REGENTS shall file Certificates of Insurance with COUNTY OF MONTEREY'S Contract Administrator, showing that the REGENTS have in effect the insurance required by this Agreement. The REGENTS shall file a new or amended certificate of insurance promptly after any change is made in any insurance policy, which would alter the information of the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

In the event the REGENTS are lawfully self-insured in any or all of the required insurance areas referenced above, a letter certifying those areas of coverage and in the minimum amounts as set forth in this Agreement, shall be furnished by the REGENTS to COUNTY OF MONTEREY'S Contract Administrator prior to the execution of this Agreement.

Cancellation of Insurance: Each liability policy shall provide that COUNTY OF MONTEREY will be given notice in writing at least thirty (30) days in advance of any change, cancellation, or non-renewal thereof. The REGENTS shall immediately obtain replacement coverage for any insurance policy that is terminated, cancelled, non-renewed, or whose policy limits have been exhausted, or upon insolvency of the insurer that issued the policy.

VI. NOTICE

Notice to the parties in connection with this agreement shall be given personally or by regular mail addressed as follows:

If to DSS:

Chelsea Chacon, Management Analyst III
Department of Social Services
1000 South Main Street, Suite 206
Salinas, CA 93901-2353

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If to the REGENTS: Catherine Strickland
The Regents of the University of California
C/O Industry Affiliates Office
2150 Shattuck Avenue, Suite 408
Berkeley, CA 94704-1362
cstrickland@berkeley.edu
cc: juliefreccero@berkeley.edu

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first herein above written.

COUNTY OF MONTEREY

BY _____
Roderick W. Franks, Director
Department of Social Services

APPROVED AS TO FORM:

DocuSigned by:
Anne Brereton
A40081E5DE03489...
Deputy County Counsel

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

BY Signed by:
Kathryn Lewis
87180081230504BB...
Kathryn Lewis
The Regents of the University of California

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UNIVERSITY OF CALIFORNIA AT BERKELEY

BERKELEY DAVIS IRVINE LOS ANGELES MERCED RIVERSIDE SAN DIEGO SAN FRANCISCO SANTA BARBARA SANTA CRUZ

ASSENT TO PARTICIPATE IN A RESEARCH STUDY

Family and Me (FAM): Evaluating a Family-based Foster Care Pilot for Youth At Risk of Commercial Sexual Exploitation in San Francisco

[Youth Participants]

My name is _____, and I am a researcher with the Human Rights Center (HRC) at the University of California, Berkeley. I am working on a study that I would like to tell you about. I would also like to find out if you would be willing to participate in this study.

I can read this form out loud to you, or you can decide to read it to yourself instead if you'd like. If any questions come up about research or this study, please ask me. I will try my best to answer your questions and clear up any confusion.

What is a research study?

A research study is when people like me collect a lot of information about a person or a subject to find out more about it. Before you decide if you want to be in this study, it's important for you to understand why we are doing the research and what is involved.

What is Informed Consent/Assent?

Informed consent is a process where researchers give you lots of information to help you understand the purpose and expectations of a research project. Then, you decide if you want to participate or not. *Consent* can be a written or spoken agreement from an adult aged 18 and older to participate in research.

When you are under the age of 18, you cannot legally provide consent. Researchers still explain the purpose and requirements of their research projects and ask you if you would be willing to participate. If you are under the age of 18 and decide to participate in research, you can provide a written or spoken agreement to participate in a study. This is called *assent*.

Even if you are under 18 and provide assent to participate in this research study, we are also required by the San Francisco Human Service Agency's Family and Children's Services to get permission from your attorney for you to participate in the study. If we receive your assent, we will ask your attorney to sign a permission form for you to participate in the study.

If you assent and we receive the permission form from your attorney, the San Francisco County Superior Court has given us permission to use some of the notes and forms from your family's court case, to evaluate Family and Me (FAM).

Why are we doing this study?

This research project is designed to do a couple of things. First, we are trying to understand how FAM is going. Second, by talking with youth like yourself, FAM caregivers, and service providers, we will try to find out what is working well and what is not working well in FAM.

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Third, this study will be used to make FAM and other similar foster care programs the best they can be for other youth that get placed in out-of-home care in the future.

This study is completely separate from your family's court case or your involvement in FAM. Participating in none, some, or all of this study will NOT affect:

- Your FAM placement or services
- Your court family reunification plans or timelines
- The amount of time you will be placed in out-of-home care
- Your access to previous services and activities (therapist, after school sports, etc.)

Why are we talking to you about this study?

We are inviting all youth who are participating in FAM to participate in this study. We are also inviting FAM caregivers and FAM service providers to participate in this study. Participation is voluntary.

As a reminder, FAM is available to youth placed in out-of-home care by San Francisco's Family and Children's Services (FCS) or Juvenile Probation Department (JPD) who the county or a service provider has identified as at risk of past, present, or future commercial sexual exploitation. Commercial sexual exploitation is very common in the San Francisco Bay Area. One of the goals of FAM is to reduce this risk for foster youth, by providing services and supporting youth's relationships with their caregivers, family members, and friends.

What will happen if you are in this study?

If you agree to be in the study and we receive permission from your attorney, we will look at the following information:

- <u>Surveys</u>

  We will ask you to complete one survey every 4 months for the duration of the study. You can take the survey online, on your phone or laptop, or a research team member can administer it to you, depending on your preference. These surveys will take about 20-30 minutes. You can take breaks during surveys. You can skip any questions that you don't want to answer or don't feel comfortable answering. This is completely up to you, based on your level of comfort.

- <u>Interviews</u>

  A member of the research team will interview you every 4 months for the duration of the study. The interview will take about 45-60 minutes and will take place either in person [*location*] or virtually [*by Zoom or phone*], depending on your preference. Where possible, you will have the same interviewer each time, unless you prefer otherwise. You are welcome to have a caregiver or other supportive person sit in with you during interviews, but it is not required. You may take breaks during interviews and can decide to stop the interview early. You can also skip any questions or topics that you don't want to answer. With your permission, we will audio-record your interviews, so that later, the researchers can write down everything you shared with them. If you don't want to be audio-recorded, the researcher will take handwritten notes instead. We will not share the audio-recording with anyone other than the HRC research team.

- <u>Records</u>

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When you meet with your Seneca support staff, they will complete a survey with you about your relationships with relatives, family members, and other adults in your life–called the Youth Connections Scale (YCS)–every 4 months. If you agree, they will share these assessment results, historical placement data, case notes, and other assessments and information about your use of services with us as part of our evaluation. Seneca may share information about my time in foster care between the dates of: _____ through _____.

Also, FCS and JPD will share relevant information from their records with us about you and your case, including your safety, justice system involvement, and placement history.

Is there any compensation for being in the study?

We will provide you with a $20 gift card as compensation for every 20-30 minute survey you participate in (even if you skip questions). We will provide you with a $50 gift card as compensation for every 45-60 minute interview you participate in (even if you skip questions).

Are there any benefits to being in the study?

There are no direct benefits in this study that directly help you. Our hope is that your experiences and valuable insights can help other young people and improve FAM and other foster care and family support programs like it in the future.

Are there any risks or discomforts to being in the study?

- You might get bored, tired, or uncomfortable and decide that you don't want to finish the study activities or the interview. If so, just tell the researchers that you want to stop. If you'd like to speak to someone about any issues or difficult feelings that come up for you during the interview, let the researcher know and they will give you information about counseling and other support services.
- A possible risk for any research is that people outside the study might see or get confidential study information. We will do everything we can to make sure that doesn't happen. The steps we're taking to protect confidentiality are explained below.

Who will know about your study participation?

If you choose to participate in this study, the researchers will talk with you somewhere private or over Zoom or by phone, and your opinions will be kept confidential. The researchers will not talk about your participation with any FAM participants, JPD, FCS, or any service providers – except for the staff responsible for data collection. These staff will not have access to your interview / survey responses or opinions about FAM. If you want to tell anyone else about our conversation, that is up to you. Even if someone sees you with a member of the research team, the researcher will not discuss how they know you or say that you are involved in the study without your permission. If the researchers publish reports or give talks about this study, they will not use your name or any other personal information that would identify you.

The research team will do everything possible to keep your responses and personal information safe. We will keep all interview notes and recordings in a secure, password-protected virtual platform or a secure, locked location at UC Berkeley until your personal information is removed and the responses can no longer be linked to you. The research team will destroy handwritten notes and audio recordings as soon as we have carefully typed out your words into another

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secure computer document, which may be saved for 10 years after the study is over. The document will not contain your name or any other information that can be used to identify you.

We will be receiving your records electronically. While we cannot guarantee the complete confidentiality of data transmitted over the internet, we will use a process that minimizes any possible confidentiality breaches.

Rights

- You get to decide whether or not to participate in this evaluation of FAM. You can also decide, at any point, if you'd like us to stop accessing your case files, notes, or other information from your service providers. If at any time you'd like to withdraw your participation in the study, all information collected will be deleted or destroyed.
- Participating in this study is completely voluntary and you can quit the study at any time with no consequences to you, the services you receive, or your FCS case.
- You can discuss this with your parents, relatives, caregivers, friends, or anyone else before you make a decision if you'd like to, although this is not required.
- You can contact our research team with any and all questions.

Do you have any questions?

If you have any questions about this research, please feel free to contact the research team directly or through someone you trust. You can reach a research team member or Program Director Julie Freccero at (510) 590-8407, or by email at famstudy@berkeley.edu. If you have any questions about your rights or treatment as a research participant in this study, please contact the University of California at Berkeley's Committee for Protection of Human Subjects at +1 (510) 642-7461 or by e-mail at: subjects@berkeley.edu

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ASSENT OF ADOLESCENT (12–17 years old)

If you decide to participate, we'll give you a copy of this form to keep if you'd like.

If you would like to be in this research study, please sign your name on the line below.

_____ _____

Child's Name/Signature (*printed or written by child*)* Date

_____ _____

Signature of Investigator/Person Obtaining Assent Date

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UNIVERSITY OF CALIFORNIA AT BERKELEY

BERKELEY DAVIS IRVINE LOS ANGELES MERCED RIVERSIDE SAN DIEGO SAN FRANCISCO SANTA BARBARA SANTA CRUZ

CONSENT TO PARTICIPATE IN A RESEARCH STUDY

Family and Me (FAM): Evaluating a Family-based Foster Care Pilot for Youth At Risk of Commercial Sexual Exploitation in San Francisco

[Youth Participants]

My name is _____, and I am a researcher with the Human Rights Center (HRC) at the University of California, Berkeley. I am working on a study that I would like to tell you about. I would also like to find out if you would be willing to participate in this study.

I can read this form out loud to you, or you can decide to read it to yourself instead if you'd like. If any questions come up about research or this study, please ask me. I will try my best to answer your questions and clear up any confusion.

What is a research study?

A research study is when people like me collect a lot of information about a person or a subject to find out more about it. Before you decide if you want to be in this study, it's important for you to understand why we are doing the research and what is involved.

What is Informed Consent?

Informed consent is a process where researchers give you lots of information to help you understand the purpose and expectations of a research project. Then, you decide if you want to participate or not. *Consent* can be a written or spoken agreement from an adult aged 18 and older to participate in research.

Researchers still explain the purpose and requirements of their research projects and ask you if you would be willing to participate. If you are aged 18 or older, you can decide to participate in research, by signing this form to certify your *consent* to participate.

Why are we doing this study?

This research project is designed to do a couple of things. First, we are trying to understand how FAM is going. Second, by talking with youth like yourself, FAM caregivers and service providers, we will try to find out what is working well and what is not working well in FAM. Third, this study will be used to make FAM and other similar foster care programs the best they can be for other youth that get placed in out-of-home care in the future.

This study is completely separate from your family's court case or your involvement in FAM. Participating in none, some, or all of this study will NOT affect:

- Your FAM placement or services
- Your court family reunification plans or timelines
- The amount of time you will be placed in out-of-home care
- Your access to previous services and activities (therapist, afterschool sports, etc.)

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Why are we talking to you about this study?

We are inviting all youth who are participating in FAM to participate in this study. We are also inviting FAM caregivers and FAM service providers to participate in this study. Participation is voluntary.

As a reminder, FAM is available to youth placed in out-of-home care by San Francisco's Family and Children's Services (FCS) or Juvenile Probation Department (JPD) who the county or a service provider has identified as at risk of past, present, or future commercial sexual exploitation. Commercial sexual exploitation is very common in the San Francisco Bay Area. One of the goals of the FAM program is to reduce this risk for foster youth, by providing services and supporting youth's relationships with their caregivers, family members, and friends.

What will happen if you are in this study?

If you agree to be in the study, we will look at the following information:

- Surveys

  We will ask you to complete one survey every 4 months for the duration of the study. You can take the survey online, on your phone or laptop, or a research team member can administer it to you, depending on your preference. These surveys will take about 20-30 minutes. You can take breaks during surveys. You can skip any questions that you don't want to answer or don't feel comfortable answering. This is completely up to you, based on your level of comfort.

- Interviews

  A member of the research team will interview you every 4 months for the duration of the study. The interview will take about 45-60 minutes and will take place either in person [*location*] or virtually [*by Zoom or phone*], depending on your preference. Where possible, you will have the same interviewer each time, unless you prefer otherwise. You are welcome to have a caregiver or other supportive person sit in with you during interviews, but it is not required. You may take breaks during interviews and can decide to stop the interview early. You can also skip any questions or topics that you don't want to answer. With your permission, we will audio-record your interviews, so that later, the researchers can write down everything you shared with them. If you don't want to be audio-recorded, the researcher will take handwritten notes instead. We will not share the audio-recording with anyone other than the HRC research team.

- Records

  When you meet with your support staff, they will complete a survey with you about your relationships with relatives, family members, and other adults in your life–called the Youth Connections Scale (YCS)–every 4 months. If you agree, they will share these assessment results, historical placement data, case notes, and other assessments and information about your use of services with us as part of our evaluation. Seneca may share information about my time in foster care between the dates of: _____ through _____.

  Also, FCS and JPD will share relevant information from their records with us about you and your case, including your safety, justice system involvement, and placement history.

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Are there any benefits to being in the study?

There are no direct benefits in this study that directly help you. Our hope is that your experiences and valuable insights can help other young people and improve the FAM program and other foster care and family support programs like it in the future.

Are there any risks or discomforts to being in the study?

- You might get bored, tired, or uncomfortable and decide that you don't want to finish the study activities or the interview. If so, just tell the researchers that you want to stop. If you'd like to speak to someone about any issues or difficult feelings that come up for you during the interview, let the researcher know and they will give you information about counseling and other support services.
- A possible risk for any research is that people outside the study might see or get confidential study information. We will do everything we can to make sure that doesn't happen. The steps we're taking to protect confidentiality are explained below.

Who will know about your study participation?

If you choose to participate in this study, the researchers will talk with you somewhere private or over Zoom or by phone, and your opinions will be kept confidential. The researchers will not talk about your participation with any FAM participants, JPD, FCS, or any service providers – except for the staff responsible for data collection. These staff will not have access to your interview / survey responses or opinions about FAM. If you want to tell anyone else about our conversation, that is up to you. Even if someone sees you with a member of the research team, the researcher will not discuss how they know you or say that you are involved in the study without your permission. If the researchers publish reports or give talks about this study, they will not use your name or any other personal information that would identify you.

The research team will do everything possible to keep your responses and personal information safe. We will keep all interview notes and recordings in a secure, locked location until your personal information is removed and the responses can no longer be linked to you. The research team will destroy handwritten notes and audio recordings as soon as we have carefully typed out your words into another secure computer document, which may be saved for 10 years after the study is over. The document will not contain your name or any other information that can be used to identify you.

We will be receiving your records electronically. While we cannot guarantee the complete confidentiality of data transmitted over the internet, we will use a process that minimizes any possible confidentiality breaches.

Rights

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- You get to decide whether or not to participate in this evaluation of FAM. You can also decide, at any point, if you'd like us to stop accessing your case files, notes, or other information from your service providers. If at any time you'd like to withdraw your participation in the study, all information collected will be deleted or destroyed.
- Participating in this study is completely voluntary and you can quit the study at any time with no consequences to you, the services you receive, or your FCS case.
- You can discuss this with your parents, relatives, caregivers, friends or anyone else before you make a decision if you'd like to, although this is not required.
- You can contact our research team with any and all questions.

Do you have any questions?

If you have any questions about this research, please feel free to contact the research team directly or through someone you trust. You can reach a research team member or Program Director Julie Freccero at (510) 590-8407 or by email at FAMstudy@berkeley.edu. If you have any questions about your rights or treatment as a research participant in this study, please contact the University of California at Berkeley's Committee for Protection of Human Subjects at +1 (510) 642-7461 or by e-mail at: subjects@berkeley.edu

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CONSENT OF YOUTH (18–21 years old)

If you decide to participate, we'll give you a copy of this form to keep.

If you would like to be in this research study, please sign your name on the line below.

_____	_____
Participant Signature	Date
_____	_____
Signature of Investigator/Person Obtaining Consent	Date

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COUNTY OF MONTEREY
MENTAL HEALTH SERVICES AGREEMENT

Contract Number: _____

COUNTY Department Contract Representative:

Elsa M. Jimenez, Director of Health Services
1270 Natividad Road, Salinas, CA 93906

THIS CONTRACT is made and entered into by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California (hereinafter "COUNTY") and **CALIFORNIA PSYCHIATRIC TRANSITIONS** (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, COUNTY desires to enter into an Agreement whereby CONTRACTOR shall provide community mental health services in accordance with the requirements of the Bronzan-McCorquodale Act (California Welfare and Institutions Code § 5600, et seq.), Part 2.5 of Division 5 of the California Welfare & Institutions Code, and Titles 9 and 22 of the California Code of Regulations; and

WHEREAS, CONTRACTOR is able to furnish such services under the terms and conditions of this Agreement and in accordance with applicable law, including all Federal, State of California (State), and local laws, regulations, rules, and guidelines pertaining to the provision of mental health services.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

I. DEFINITIONS

A. BEHAVIORAL HEALTH INFORMATION NOTICE (BHIN)

"Behavioral Health Information Notice" or "BHIN" means guidance from DHCS to inform counties and contractors of changes in policy or procedures at the federal or state levels. These were previously referred to as Mental Health and Substance Use Disorder Services Information Notices (MHSUDS IN). BHINs and MHSUDS INs are available on the DHCS website.

B. BENEFICIARY OR CLIENT

"Beneficiary" or "client" mean the individual(s) receiving services.

C. DHCS

"DHCS" means the California Department of Health Care Services.

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II. SERVICES TO BE PROVIDED

CONTRACTOR shall provide the services set forth in this Agreement, including the program services detailed in Exhibit A, to the recipient population and to the COUNTY, in compliance with the terms of this Agreement. These services can be summarized as follows: **Short–Doyle Skilled Nursing Facility for psychiatric care of adults as a Mental Health Rehabilitation Center (MHRC).**

III. EXHIBITS

The following exhibits are attached to this Agreement and incorporated herein by reference:

EXHIBIT A: PROGRAM DESCRIPTION
EXHIBIT B: PAYMENT AND BILLING PROVISIONS
EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION
EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY
EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT
EXHIBIT G: BEHAVIORAL HEALTH INVOICE FORM
EXHIBIT H: MONTHLY CENSUS

IV. PAYMENT BY COUNTY

A. The COUNTY shall pay CONTRACTOR in arrears, as applicable, for eligible services provided under this Agreement and in accordance with the terms and conditions set forth in Exhibit B. Payments are made at applicable rates up to the amounts identified for each Funded Program as shown in Exhibit B and as otherwise may be limited under this Agreement and the attachments thereto. If CONTRACTOR is paid at Cash Flow Advances, COUNTY payments are provisional, until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. For the purposes of this Agreement, a "Funded Program" is a set of services paid through a particular funding source identified in Exhibit H, Budget and Expenditure Report, if made part of this Agreement.
B. CONTRACTOR shall hold harmless the State and any recipients of services in the event COUNTY does not reimburse CONTRACTOR for services performed under this Agreement.

V. TERM AND TERMINATION

A. Term. This Agreement shall be effective **July 1, 2025** and shall remain in effect until **June 30, 2026.**

B. Termination without Cause. Either party may terminate this Agreement at any time without cause by serving thirty (30) calendar days' advance written notice upon the other party. The notice shall state the effective date of the termination.

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C. Termination with Cause. COUNTY, in its sole and absolute discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. CONTRACTOR'S failure to comply with COUNTY'S Utilization Review procedures;

2. CONTRACTOR'S failure to abide by Grievance decisions;

3. CONTRACTOR'S failure to meet COUNTY qualification criteria;

4. CONTRACTOR'S failure to submit any reports requested by the COUNTY pursuant to this Agreement, including but not limited to Provider's Certification and accompanying audited financial statement, other supporting documents in accordance with the terms of a written notice from COUNTY to CONTRACTOR, and/or, if made part of this Agreement, Exhibit I;

5. CONTRACTOR is unable or reasonably expected to be unable to provide the Services for any reason for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate over any three (3) month period;

6. CONTRACTOR'S performance of this Agreement poses an imminent danger to the health and safety of any individual client of COUNTY;

7. CONTRACTOR loses its licensure or certification;

8. CONTRACTOR is suspended, excluded or otherwise becomes ineligible to participate in the Medicare, Medi-Cal, or any other government-sponsored health program;

9. Breach by CONTRACTOR of any confidentiality obligation;

10. Breach by CONTRACTOR of the Health Insurance Portability and Accountability Act (HIPAA) and Protected Health Information (PHI);

11. CONTRACTOR makes an assignment for the benefit of creditors, admits in writing the inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution liquidation or other similar law or any jurisdiction;

12. The insurance required to be maintained by CONTRACTOR under this Agreement is terminated, reduced below the minimum coverage requirements set forth in this Agreement, not renewed or cancelled (whether by action of the insurance company or CONTRACTOR) for any reason, and CONTRACTOR has not obtained replacement coverage as required by this Agreement by the effective date of such termination, reduction, non-renewal or cancellation;

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13. CONTRACTOR is rendered unable to comply with the terms of this Agreement for any reason; or

14. COUNTY determines that CONTRACTOR is in violation or breach of any provision of this Agreement or violation of Federal, State or local laws, and thirty (30) calendar days have passed since written notice of the violation or breach has been given by COUNTY, without remedy thereof by CONTRACTOR to the satisfaction of COUNTY.

D. Termination or Amendment in Response to Reduction of Government Funding. Notwithstanding any other provision of this Agreement, if Federal, State or local government terminates or reduces its funding to the COUNTY for services that are to be provided under this Agreement, COUNTY, in its sole and absolute discretion after consultation with the CONTRACTOR, may elect to terminate this Agreement by giving written notice of termination to CONTRACTOR effective immediately or on such other date as COUNTY specifies in the notice. Alternatively, COUNTY and CONTRACTOR may mutually agree to amend the Agreement in response to a reduction in Federal, State or local funding.

E. Survival of Obligations after Termination. Termination of this Agreement shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. Upon termination of this Agreement, COUNTY shall no longer refer clients to the CONTRACTOR under this Agreement, and the rights and duties of the parties shall be terminated, except that the following obligations shall survive termination:

1. CONTRACTOR shall, pursuant to this Agreement and upon approval of the Behavioral Health Director, continue treatment of clients who are receiving care from CONTRACTOR until completion of treatment or until continuation of the client's care by another provider can be arranged by COUNTY;

2. COUNTY shall arrange for such transfer of treatment no later than sixty (60) calendar days after Agreement termination if the client's treatment is not by then completed;

3. COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services rendered prior to termination or required to be rendered after termination;

4. Upon termination or expiration of this Agreement, CONTRACTOR shall continue to remain obligated with respect to any confidentiality obligation as described in Section XII and in accordance with Exhibit C to this Agreement, HIPAA and PHI in accordance with Exhibit F to this Agreement, indemnification described in Section XIV to this Agreement, professional liability insurance described in Section XV to this Agreement, and access to and audit of records described in Section XVII to this Agreement, and in accordance with all applicable laws; and

5. CONTRACTOR shall not do anything or cause any other person to do anything that interferes with COUNTY'S efforts to engage any other person or entity for the

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provision of the services set forth in this Agreement, or interfere in any way with any relationship between COUNTY and any other person or entity who may be engaged to provide the services to COUNTY.

VI. COMPLIANCE WITH APPLICABLE LAWS AND TERMS OF FEDERAL, STATE AND/OR LOCAL STATUTES AND FEDERAL AND/OR STATE GRANTS

A. Compliance with Laws. In providing services and meeting requirements for payment reimbursement for mental health treatment services under this Agreement, CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and guidelines, including, but not limited to, Title XIX of the Social Security Act; California Welfare and Institutions Code, Divisions 5, 6, and 9; California Code of Regulations, Titles 9 and 22; any Short-Doyle and Short-Doyle/Medi-Cal policies as identified in the State Letters, Office of Management and Budget (OMB Uniform Guidance) 2 CFR part 230 and 2 CFR part 200, subpart E 2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS (OMB CIRCULAR A-122) - Content Details - CFR-2012-title2-vol1-part230 (govinfo.gov) and Federal Register : Federal Acquisition Regulation; OMB Circular Citation Update, and the Mental Health policies issued by the COUNTY of Monterey.

B. Compliance with Terms of Federal and/or State Grants. If this Agreement is funded with monies received by the COUNTY pursuant to contract(s) with the Federal and/or State government in which the COUNTY is the grantee, CONTRACTOR shall comply with all provisions of said contract(s), to the extent applicable to CONTRACTOR as a sub-grantee under said contract(s), and said provisions shall be deemed a part of this Agreement as if fully set forth herein. Upon request, COUNTY shall deliver a copy of said contract(s) to CONTRACTOR at no cost to CONTRACTOR.

VII. CONTRACT MONITORING AND QUALITY CONTROL

A. The Federal government, State, and COUNTY shall have the right to inspect and evaluate the quality, appropriateness and timeliness of services performed under this Agreement.

B. The Behavioral Health Director shall assign a Contract Monitor to ensure compliance with the terms and conditions of this Agreement. The Contract Monitor and CONTRACTOR shall meet at intervals deemed appropriate by COUNTY. In addition, the Contract Monitor shall review at regular intervals all statistical reports, financial records, clinical records, and other documents concerning services provided under this Agreement. In addition, CONTRACTOR shall at all times cooperate with the COUNTY'S Quality Improvement ("QI") Plan.

C. CONTRACTOR shall conduct reviews at regular intervals of the quality and utilization of services for all recipients of service under this Agreement. CONTRACTOR shall furnish all required data and reports in compliance with State Client and Service Information System ("CSI"). Units of time reporting are subject to special review and audit.

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D. If CONTRACTOR is an in-patient facility, CONTRACTOR shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

VIII. LICENSURE, CERTIFICATION AND STAFFING REQUIREMENTS

A. Licensure and Certification. CONTRACTOR shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the California Business and Professions Code, the California Welfare and Institutions Code, and all other applicable laws for the type of services rendered under this Agreement. All personnel providing services pursuant to this Agreement shall be fully licensed in accordance with all applicable law and shall remain in good professional standing throughout the entire duration of this Agreement. CONTRACTOR shall comply with all COUNTY and State certification and licensing requirements and shall ensure that all services delivered by staff are within their scope of licensure and practice.

B. Medi-Cal Certification. If CONTRACTOR is an organizational provider of Medi-Cal specialty mental health services, CONTRACTOR shall maintain certification during the term of this Agreement. This includes meeting all staffing and facility standards required for organizational providers of Medi-Cal specialty mental health services which are claimed and notifying COUNTY'S Contract Monitor in writing of anticipated changes in service locations at least sixty (60) days prior to such change.

C. Staff Training and Supervision. CONTRACTOR shall ensure that all personnel, including any subcontractor(s) performing services under this Agreement, receive appropriate training and supervision. CONTRACTOR shall also maintain appropriate levels of staffing at all times when performing services under this Agreement.

D. Exclusion from Participation in Federal Health Care Program or State Equivalent.

1. CONTRACTOR shall not employ or contract with providers or other individuals and entities excluded from participation in Federal health care programs under either Section 1128 or 1128A of the Social Security Act. Federal Financial Participation (FFP) is not available for providers excluded by Medicare, Medicaid, or the State Children's Insurance Program, except for emergency services.

2. CONTRACTOR shall not employ or contract with services to be provided under the terms of this Agreement by any officer, employee, subcontractor, agent or any other individual or entity that is on the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services, Office of the Inspector General ("OIG") or the California State Medi-Cal Suspended and Ineligible Provider List ("S&I") maintained by the California Department of Health Care Services (DHCS).

   a. CONTRACTOR shall be responsible to determine on a monthly basis whether any of its officers, employees, subcontractors, agents, or other individuals or entities are on either or both excluded lists of OIG and S&I and shall immediately notify the COUNTY upon discovery that any of its officers, employees, subcontractors, agents, or other individuals or entities appears on either or both excluded lists.

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b. The OIG list is currently found at the following web address: http://exclusions.oig.hhs.gov. The S&I list is currently found at the following web address: http://www.medi-cal.ca.gov/references.asp.

IX. PATIENT RIGHTS

A. CONTRACTOR shall comply with all applicable patients' rights laws including, but not limited to, the requirements set forth in California Welfare and Institutions Code, Division 5, Part 1, sections 5325, et seq., and California Code of Regulations, Title 9, Division 1, Chapter 4, Article 6 (sections 860, et seq.).

B. As a condition of reimbursement under this Agreement, CONTRACTOR shall ensure that all recipients of services under this Agreement shall receive the same level of services as other patients served by CONTRACTOR. CONTRACTOR shall ensure that recipients of services under this Agreement are not discriminated against in any manner including, but not limited to, admissions practices, evaluation, treatment, access to programs and or activities, placement in special wings or rooms, and the provision of special or separate meals. CONTRACTOR shall comply with Assurance of Compliance requirements as set forth in Exhibit D and incorporated by reference as if fully set forth herein.

C. Reporting Unusual Occurrences

1. CONTRACTOR shall report unusual occurrences to the Behavioral Health Director. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including, but not limited to, physical injury and death.

2. Unusual occurrences are to be reported to the COUNTY within timelines specified in COUNTY policy after becoming aware of the unusual event. Reports are to include the following elements:

   i. Complete written description of event including outcome;

   ii. Written report of CONTRACTOR's investigation and conclusions;

   iii. List of persons directly involved and/or with direct knowledge of the event.

3. COUNTY and DHCS retain the right to independently investigate unusual occurrences and CONTRACTOR will cooperate in the conduct of such independent investigations.

X. MAINTENANCE AND CONFIDENTIALITY OF PATIENT INFORMATION

A. CONTRACTOR shall maintain clinical records for each recipient of service in compliance with all Federal and State requirements. Such records shall include a description of all services provided by the CONTRACTOR in sufficient detail to make possible an

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evaluation of services, and all data necessary to prepare reports to the State, including treatment plans, records of client interviews, and progress notes.

B. CONTRACTOR shall retain clinical records for a minimum of ten (10) years and, in the case of minors, for at least one (1) year after the minor has reached the age of majority, but for a period of no less than ten (10) years. Clinical records shall be the property of the COUNTY and maintained by the CONTRACTOR in accordance with Federal, State and COUNTY standards.

C. CONTRACTOR shall comply with the requirements set forth in Exhibit C: Confidentiality of Patient Information and Exhibit F: Business Associate Agreement, incorporated by reference as if fully set forth herein.

XI. REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Agreement, CONTRACTOR shall immediately notify the Behavioral Health Director by telephone. In addition, CONTRACTOR shall promptly submit to COUNTY a written report including: (1) the name and address of the injured/deceased person; (2) the time and location of the incident; (3) the names and addresses of CONTRACTOR'S employees or agents who were involved with the incident; (4) the names of COUNTY employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, California Penal Code sections 11164, et seq. CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

C. Elder Abuse Reporting. CONTRACTOR shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (California Welfare and Institutions Code, sections 15600 Code, et seq.). CONTRACTOR shall require all of its employees, consultants, and agents performing services under this Agreement who are mandated reporters under the Act to sign statements indicating that they know of and shall comply with the Act's reporting requirements.

XII. INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies, in connection with the performance of this

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Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

XIII. INSURANCE

A. Evidence of Coverage. Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.
This verification of coverage shall be sent to the COUNTY'S Contracts/Purchasing Office, unless otherwise directed. The CONTRACTOR shall not receive approval for services for work under this Agreement until all insurance has been obtained as required and approved by the COUNTY. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII, according to the current A. M. Best's Key Rating Guide or a company of equal financial stability that is approved by the COUNTY'S Contracts/Purchasing Officer.

C. Insurance Coverage Requirements. Without limiting CONTRACTOR'S duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

3. Workers Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

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4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Agreement.

D. Other Insurance Requirements. All insurance required by this Agreement shall be with a company acceptable to the COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the COUNTY shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, officials, employees, and volunteers as Additional Insured with respect to liability arising out of the CONTRACTOR'S work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance.

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers.

Prior to the execution of this Agreement by the COUNTY, CONTRACTOR shall file certificates of insurance and endorsements with the COUNTY'S contract administrator and the COUNTY'S Contracts/Purchasing Office, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made

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in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to COUNTY'S Contract Administrator and COUNTY'S Contracts/Purchasing Office. If the certificate is not received by the expiration date, CONTRACTOR shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance coverage is a breach of this Agreement, which entitles COUNTY, at its sole and absolute discretion, to (1) immediately disallow claim(s) for payment and/or withhold payment(s) by COUNTY to CONTRACTOR, pursuant to Section IV (A), for services rendered on or after the effective date of termination, reduction, non-renewal, or cancellation of the insurance coverage maintained by CONTRACTOR, and/or (2) terminate this Agreement pursuant to Section V.

XIV. ACCESS TO AND AUDIT OF RECORDS

A. Right to Inspect Records. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with Federal and State laws including, but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., the COUNTY or its representative, Federal or State governments may conduct an audit, review or other monitoring procedures of the CONTRACTOR regarding the services/activities provided under this Agreement. The COUNTY or its representative, Federal or State governments shall have the right to inspect any and all books, records, and facilities maintained by CONTRACTOR during normal business hours and without advance notice to evaluate the use of funds and the cost, quality, appropriateness, and timeliness of services.

B. Maintenance of Records. CONTRACTOR shall maintain any and all records documenting all services set forth under this Agreement for a period of ten (10) years from the end of the fiscal year in which such services were provided or until three (3) years after final resolution of any audits, or appeals, whichever occurs later. CONTRACTOR shall maintain such records in a form comporting with generally accepted accounting and auditing standards and all applicable laws.

C. Overpayment. If the results of any audit show that the funds paid to CONTRACTOR under this Agreement exceeded the amount due, then CONTRACTOR shall pay the excess amount to COUNTY in cash not later than thirty (30) calendar days after the COUNTY notifies the CONTRACTOR of such overpayment; or, at COUNTY'S election, COUNTY may recover the excess or any portion of it by offsets made by COUNTY against any payment(s) owed to CONTRACTOR under this or any other Agreement or as set forth in Exhibit I, if made part of this Agreement.

D. Responsibility for Audit Exceptions. Any and all audit exceptions by COUNTY or any Federal or State agency resulting from an audit of CONTRACTOR'S performance of this

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Agreement, or actions by CONTRACTOR, its officers, agents, and employees shall be the sole responsibility of the CONTRACTOR.

E. Availability of Records for Grievances and Complaints by Recipients of Service. CONTRACTOR shall ensure the availability of records for the prompt handling of grievances or complaints filed by recipients of services. Release of records shall be subject to the confidentiality provisions set forth in this Agreement.

F. Reports. CONTRACTOR shall prepare any reports and furnish all information required for reports to be prepared by the COUNTY as may be required by the State of California or applicable law, including, but not limited to Budgets, Cost Allocation Methodologies, Tax Returns, Accounting Policies, Audited Financial Statements, Organization Charts, Personnel Policies, Bank Reconciliations, and Depreciation Schedules.

XV. NON-DISCRIMINATION

A. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any person because of race, religion, color, sex, gender, gender identity, genetic information, national origin, ethnic group identification, ancestry, mental or physical handicap, medical condition, health status or need for health care services, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall insure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be unlawful discrimination. In addition, CONTRACTOR'S facility access for the disabled shall comply with § 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).

B. Discrimination defined. The term "discrimination," as used in this Agreement, is the same term that is used in Monterey County Code, Chapter 2.80 ("Procedures for Investigation and Resolution of Discrimination Complaints"); it means the illegal denial of equal employment opportunity, harassment (including sexual harassment and violent harassment), disparate treatment, favoritism, subjection to unfair or unequal working conditions, and/or discriminatory practice by any Monterey County official, employee or agent, due to an individual's race, color, ethnic group, sex, national origin, ancestry, religious creed, sexual orientation, age, veteran's status, cancer-related medical condition, physical handicap (including AIDS) or disability. The term also includes any act of retaliation.

C. Application of Monterey County Code Chapter 2.80. The provisions of Monterey County Code Chapter 2.80 apply to activities conducted pursuant to this Agreement. CONTRACTOR and its officers and employees, in their actions under this Agreement, are agents of the COUNTY within the meaning of Chapter 2.80 and are responsible for ensuring that their workplace and the services that they provide are free from discrimination, as required by Chapter 2.80. Complaints of discrimination made by recipients of services against CONTRACTOR may be pursued by using the procedures established by or pursuant to Chapter 2.80. CONTRACTOR shall establish and follow its

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own written procedures for prompt and fair investigation and resolution of discrimination complaints made against CONTRACTOR by its own employees and agents or recipients of services pursuant to this Agreement, and CONTRACTOR shall provide a copy of such procedures to COUNTY on demand by COUNTY.

D. Compliance with Applicable Law. During the performance of this Agreement, CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations which prohibit discrimination including, but not limited to, the following:

1. California Code of Regulations, Title 9, §§ 526, 527;
2. California Fair Employment and Housing Act, (Govt. Code § 12900, et seq.), and the administrative regulations issued thereunder, Cal. Code of Regulations, Title 2, § 7285, et seq.;
3. California Government Code, sections 11135-11139.5 (Title 2, Div. 3, Part 1, Chap. 1, Art. 9.5) and any applicable administrative rules and regulations issued under these sections;
4. Federal Civil Rights Acts of 1964 and 1991 (see especially Title VI, 42 U.S.C. § 2000(d), et seq.), as amended, and all administrative rules and regulations issued thereunder (see especially 45 C.F.R. Parts 80);
5. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 793 and 794); all requirements imposed by the applicable HHS regulations (45 C.F.R. Part 84); and all guidelines and interpretations issued pursuant thereto;
6. Americans with Disabilities Act of 1990, 42 U.S.C. §12101, et seq., and 47 U.S.C. §§ 225 and 611, and any Federal regulations issued pursuant thereto (see 24 C.F.R. Chapter 1; 28 C.F.R. Parts 35 and 36; 29 C.F.R. Parts 1602, 1627, and 1630; and 36 C.F.R. Part 1191);
7. Unruh Civil Rights Act, Cal. Civil Code § 51, et seq.
8. California Government Code section 12900 (A-F) and California Code of Regulations, Title 2, Division 4, Chapter 5.

In addition, the applicable regulations of the California Fair Employment and Housing Commission implementing Government Code § 12990 as set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

E. Written Assurance. Upon request by COUNTY, CONTRACTOR shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as may be required by the Federal government in connection with this Agreement, pursuant to 45 C.F.R. sec. 80.4 or C.F.R. § 84.5 or other applicable Federal or State regulations.

F. Written Statement of Non-discrimination Policies. CONTRACTOR shall maintain a written statement of its non-discrimination policies and procedures. Such statement shall be consistent with the terms of this Agreement and shall be available to CONTRACTOR'S employees, recipients of services, and members of the public upon request.

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G. Notice to Labor Unions. CONTRACTOR shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

H. Access to Records by Government Agencies. CONTRACTOR shall permit access by COUNTY and by representatives of the State Department of Fair Employment and Housing and any Federal or State agency providing funds for this contract upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, facilities, and other sources of information as the inspecting party may deem appropriate to ascertain compliance with these nondiscrimination provisions.

I. Binding on Subcontractors. The provisions above shall also apply to all of CONTRACTOR'S subcontractors who provide services pursuant to this Agreement. CONTRACTOR shall include the non-discrimination and compliance provisions set forth above in all its subcontracts to perform work or provide services under this Agreement.

XVI. CULTURAL COMPETENCY AND LINGUISTIC ACCESSIBILITY

A. CONTRACTOR shall provide services in a culturally competent manner to assure access to services by all eligible individuals as required by State regulations and policies, other applicable laws, and in accordance with Exhibit E of this Agreement. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes, and policies that enable staff to work effectively in providing contractual services under this Agreement in cross-cultural situations. Specifically, CONTRACTOR'S provision of services shall acknowledge the importance of culture, adapt services to meet culturally unique needs, and promote congruent skills, behaviors, attitudes, and policies enabling all persons providing services to function effectively in cross-cultural situations.

B. CONTRACTOR shall provide linguistically accessible services to assure access to services by all eligible individuals as required by State regulations and policies and other applicable laws. Specifically, CONTRACTOR shall provide services to eligible individuals in their primary language through linguistically proficient staff or interpreters. Family members, friends, or neighbors may be used as interpreters only in emergency situations.

C. For the purposes of this Section, "access" is defined as the availability of medically necessary mental health services in a manner that promotes and provides the opportunity for services and facilitates their use.

XVII. DRUG FREE WORKPLACE

CONTRACTOR shall submit to the COUNTY evidence of compliance with the California Drug-Free Workplace Act of 1990, California Government Code sections 8350, et seq., to provide a drug-free workplace by doing all of the following:

A. Publishing a Statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or

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organization's workplace and specifying the actions that shall be taken against employees for violations of the prohibitions.

B. Establishing a drug-free awareness program to inform employees about all of the following:

1. The dangers of drug abuse in the workplace;
2. The person's or organization's policy of maintaining a drug-free workplace;
3. Any available drug counseling, rehabilitation, and employee assistance programs;
4. The penalties that may be imposed upon employees for drug abuse violations;

C. Requiring that each employee engaged in the performance of the Agreement or grant is given a copy of the company's drug-free policy statement and that, as a condition of employment on the contract or grant, the employee agrees to abide by the terms of the statement.

XVIII. INDEPENDENT CONTRACTOR

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the COUNTY. No offer or obligation of permanent employment with the COUNTY or particular COUNTY department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including, but not limited to sick leave, vacation, or retirement benefits, workers' compensation coverage, insurance, disability benefits, or social security benefits, or unemployment compensation or insurance. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes including, but not limited to, Federal and State income taxes and Social Security, arising out of CONTRACTOR'S compensation for performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold the COUNTY harmless from any and all liability COUNTY may incur because of CONTRACTOR'S failure to pay such taxes when due.

XIX. SUBCONTRACTING

CONTRACTOR may not subcontract any services under this Agreement without COUNTY'S prior written authorization. At any time, COUNTY may require a complete listing of all subcontractors employed by the CONTRACTOR for the purpose of fulfilling its obligations under the terms of this Agreement. CONTRACTOR shall be legally responsible for subcontractors' compliance with the terms and conditions of this Agreement and with applicable law. All subcontracts shall be in writing and shall comply with all Federal, State, and local laws, regulations, rules, and guidelines. In addition, CONTRACTOR shall be legally responsible to COUNTY for the acts and omissions of any subcontractor(s) and persons either directly or indirectly employed by subcontractor(s).

XX. GENERAL PROVISIONS

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by all the parties hereto.

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B. Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement, either in whole or in part, without the prior written consent of the COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the COUNTY. Any assignment without such consent shall automatically terminate this Agreement. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

C. Authority. Any individual executing this Agreement on behalf of an entity represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of the same.

D. Compliance with Applicable Law. The parties shall comply with all applicable Federal, State, and local laws and regulations in performing this Agreement.

E. Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

F. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR'S officers, agents, and employees acting on CONTRACTOR'S behalf in the performance of this Agreement.

H. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

I. Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

J. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

K. Headings. The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

L. Integration. This Agreement, including the exhibits hereto, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, and/or agreements, either written or oral, between the parties as of the effective date hereof.

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M. Non-exclusive Agreement. This Agreement is non-exclusive and both parties expressly reserve the right to contract with other entities for the same or similar services.

N. Severability. In the event of changes in law that effect the provisions of this Agreement, the parties agree to amend the affected provisions to conform to the changes in the law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Agreement are severable and, in the event of changes in law as described above, the unaffected provisions and obligations of this Agreement shall remain in full force and effect.

O. Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and insure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

P. Time is of the essence. Time is of the essence in each and all of the provisions of this Agreement.

Q. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

R. Format of Deliverables: For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

XXI. NOTICES AND DESIGNATED LIAISONS

Notices to the parties in connection with this Agreement may be given personally or may be delivered by certified mail, return receipt requested, addressed to:

COUNTY OF MONTEREY

Melanie Rhodes
Behavioral Health Bureau Chief
1270 Natividad Road
Salinas, CA 93906
(831) 755-4580

CONTRACTOR

Dina Hackett
President / CEO
California Psychiatric Transitions
9226 N. Hinton Avenue
Delhi, CA 95315
(209) 667-9304
(209) 669-3978 FAX

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IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Department Head

Date: _____

Approved as to Form [1]

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...
County Counsel

Date: 7/30/2025 | 12:15 PM PDT

Approved as to Fiscal Provisions[2]

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Auditor-Controller's Office

Date: 7/30/2025 | 3:51 PM PDT

Reviewed as to Liability Provisions[3]

By: _____
Risk Management

Date: _____

CONTRACTOR

CALIFORNIA PSYCHIATRIC TRANSITIONS
CONTRACTOR NAME
Contractor's Business Name *

By: DocuSigned by: 2D49B801BF7C488...
(Signature of Chair, President, or Vice-President) *

Dina Hackett, President / CEO
Name and Title

Date: 7/21/2025 | 9:03 AM PDT

By: DocuSigned by: Julia Youga A26AE4EDBDE9426...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer) *

Julia Youga, CFO
Name and Title

Date: 7/21/2025 | 9:05 AM PDT

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign.

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A: PROGRAM DESCRIPTION

I. IDENTIFICATION OF CONTRACTOR

Name: California Psychiatric Transitions

Address: P. O. Box 339
Delhi, CA 95315

Incorporation Status: Private, for profit, Corporation (no Medi-Cal billable services)

Type of Facility: Mental Health Rehabilitation Center (MHRC)

Type of License: MHRC

II. TARGET POPULATION/FACILITY SPECIALIZATION

Serving adults with psychiatric impairment that has led to their grave disability and requires a locked skilled nursing level of care.

III. PROGRAM DESCRIPTION

Treatment services include:

A. An individualized program to meet the specific needs of each client. Individual programs shall be provided based on the specific needs identified through resident assessments.

B. A structured regimen with individualized services to assist clients in the development of new skills and in modifying behaviors that exclude them from living in a lower level of care facility. The facility shall have the capability of providing all of the following special rehabilitation program services.

1. Self-Help Skills Training. This shall include but not be limited to:
   a) Supervision of medication and education regarding medication;
   b) Money management;
   c) Use of public transportation;
   d) Use of community resources;
   e) Behavior control and impulse control;
   f) Frustration tolerance/stress management;
   g) Mental health/substance abuse education;
   h) Physical education;
   i) ADLs; Restoration of activities of daily living.

2. Behavioral Intervention Training. This shall include but not be limited to:
   a) Behavior modification modalities;
   b) Re-motivation therapy;
   c) Patient government activities;

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d) Group counseling;
e) Individual counseling;
f) Interpersonal Relationships. This shall include but not be limited to:
   (1) Social counseling;
   (2) Educational and recreational training;
   (3) Social activities such as outings, dances, etc.;
g) Understanding of legal issues and court processes.

3. Pre-vocational Preparation Services. This shall include but not be limited to:
   a) Homemaking;
   b) Work activity;
   c) Vocational counseling; work habits
   d) Pre-release planning;
   e) Out-of-home planning;
   f) Linkage to medical services in the community as needed.

IV. PROGRAM GOALS

A. To assist Monterey County Behavioral Health in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days.

B. To stabilize the individual's psychiatric condition through medication management and program services.

C. To restore the individual's level of functioning to the community to a lower level of care.

D. To increase the individual's motivation and skills toward self-restoration.

E. To prevent or decrease the rate of de-compensation, thus decreasing placements at higher, more costly levels of care.

F. To provide the intensive staff required to supervise and treat behavioral psychiatric and medical conditions.

V. PROGRAM PLAN OF OPERATION

The Contractor will provide the COUNTY with a copy of the Mental Health Rehabilitation Center Plan of Operation.

VI. CASE MANAGEMENT

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

VII. ADMISSIONS/BASIC SERVICES/CONTINUED STAY CRITERIA

A. ADMISSION CRITERIA

The CONTRACTOR shall admit patients with a DSM V diagnosis and conserved found to be gravely disabled subject to bed availability, with order of a physician, and in

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compliance with reasonable admission policies and procedures. Individuals in need of 24-hour nursing services, patients who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms (such as combativeness, development risk, suicide risk, and excessive verbal abusiveness) which preclude them from being admitted into a lower-level care facility, shall be considered acceptable for admission. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness is deemed appropriate for acute care, as well as individuals suffering exclusively from developmental disability, mental retardation or physical illnesses (without a psychiatric component) shall not be considered for admission. The COUNTY shall participate in the CONTRACTOR'S Priority Access Program, which gives COUNTY clients priority admission to services. When COUNTY client(s) graduates or discharges, the COUNTY shall decide to keep or release the bed. All admissions are subject to the prior authorization from the COUNTY and CONTRACTOR's commitment to provide care and services in accordance with the terms of this Agreement.

B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 9 of the California Code of Regulations, Chapter 3.5, Sections 782.10 through 787.14, which includes life skill training, money management, training on accessing community services, transitional programs, and discharge planning with the COUNTY staff. Basic services shall also include reasonable access to required medical treatment and up-to-date psychopharmacology and transportation to reasonable needed off-site services and bilingual/ bicultural programming as specifically described herein.

C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).

2. Admission is available only to individuals in need of 24-hour nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower-level care. Due to their mental illness, clients are unable to provide for their basic needs.

VIII. DISCHARGE CRITERIA & PLANNING

At the point the individual no longer requires the level of service of a locked facility, as determined by the COUNTY case manager, a plan for their transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

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The COUNTY case manager shall provide a two-week (14-day) notice to CONTRACTOR staff prior to initiating a transfer. In the case of a transfer occurring before the two-week notification period has expired, COUNTY shall be responsible for reimbursing CONTRACTOR for that portion of full days remaining in the two-week notification period, based at the current service level rate in effect at the time of initial transfer notification.

IX. TRANSFER TO ACUTE LEVEL OF CARE

If an individual meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with notification by the CONTRACTOR's psychiatrist to the COUNTY's inpatient psychiatrist to arrange for the transfer of the individual.

X. LIMITATIONS OF SERVICE

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR's State of California license.

XI. CHANGE OF SERVICE LEVEL/RATE

A. SERVICE LEVEL/RATE REDUCTIONS

Service level/rate reductions must be approved by the CONTRACTOR. COUNTY is eligible to submit a service level/rate change every ninety (90) days. COUNTY has the option to request a lower service level/rate and thereby shall submit a written notice to CONTRACTOR requesting the lower service level/rate change. Upon CONTRACTOR's determination, the lower service level/rate change would be approved or denied.

The daily rate for the CPT Diversion program will be eligible for review. There are no automatic rate reductions.

Criteria for a daily rate reduction may be based on but not limited to: change in legal status, overall progress in the CPT level system, program participation, behavior(s), medication/treatment compliance, and the necessary support required to adequately maintain the particular patient.

B. SERVICE LEVEL/RATE INCREASES

Service level/rate increases must be approved by the COUNTY and incorporated into a fully-executed Amendment to this Contract in advance of the submission of any invoice with a new level/rate beyond that specified in the Contract. CONTRACTOR is eligible to request the COUNTY Contract Amendment process at any time, and has the option to request a higher service level/rate. CONTRACTOR shall thereby submit a written notice to COUNTY via the Program Manager/Contract Monitor or assigned Contracts Analyst, requesting the higher service level/rate change, with written justification as to the budgetary reasons underlying the requested rate increase. Upon COUNTY's determination, the higher service level/rate change would be approved or denied.

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COUNTY clients shall receive the services commensurate with the level at which they are placed and at which the COUNTY is invoiced, regardless of their physical location. E.g., clients approved for the DBU but temporarily housed in the Main Unit, will receive the additional services and increased staffing commensurate with the DBU level of care.

XII. TYPES OF SERVICES

The following program service levels will be provided within Fiscal Year 2025-26:

Service Type / Designation	Rate/Day	Service Description
MHRC Level 1 (LPS)	$518.00	Residents are integrated with only minor to moderate deviations from the structured program.
Forensic Level (IST, DIV, Murphy)	$736.00	Forensic Program designed to serve court ordered diversion (1001.20 diversion hold) and Incompetent to Stand Trial – Penal Code 1370 (IST 1370) individuals. Individuals in this program have been incarcerated facing charges of either misdemeanor or felony and are unable to stand trial due to a mental illness, or a mental illness with a co-occurring developmental disability. OR, individuals who are court ordered to a diversion program (under a 1001.20 diversion hold), however, have been determined competent to stand trial and are under an order of further treatment.
DBU Level 1 (LPS, IST, DIV, Murphy)	$1024.00	Disruptive Behavioral Unit program provides intensive therapy that focuses directly on disruptive behaviors such as property damage, self-injurious behavior, assaultive behavior and AWOL risk; 1:1 staffing sessions address behavioral issues, medication changes and program compliance with a Board Certified Forensic Psychiatrist; 4:1 resident to staff ratio at 24-hour intervals, and 24 hr. nursing.
1:1 Monitoring: Enhanced Support and Supervision Rate	$59.00 (Hourly Rate, in 15-minute increments)	1:1 resident to staff ratio for emergency monitoring and attendance of patients in the case of suicidal, extreme self-injurious, OR other temporarily highly disruptive behaviors, who without this individual support are placing their housing at risk due to the escalation of symptoms and behaviors.

XIII. EVALUATION AND REPORTING REQUIREMENTS

In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR shall meet all evaluation and reporting requirements stated as a condition

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of the facility's license. Additionally, CONTRACTOR shall report any unusual incidents that occur at the facility to the Contract Monitor/Liaison.

XIV. QUALITY ASSURANCE

A. CONTRACTOR shall comply with Chapter 3.5 of Division 1 of Title 9 of the California Code of Regulations pertaining to Mental Health Rehabilitation Centers.

B. CONTRACTOR shall meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:

1. Medical necessity;
2. Appropriateness of continued treatment;
3. Focus, level, intensity of care;
4. Outcome of treatment; and
5. Cost of treatment.

XV. MONTEREY INTEGRATED SYSTEM OF CARE TRANSFORMATION INITIATIVE (MISTI)

A. Participation in the Monterey Integrated System of Care Transformation Initiative

Monterey County Behavioral Health (MCBH) envisions a system of care that addresses the needs of individuals and families with co-occurring mental health (MH) and substance use disorder (SUD) conditions, as well as other MH and/or SUD complex challenges, across their lifespan. The system is designed to ensure that services are welcoming, coordinated, and integrated, focusing on cultural and linguistic competence.

CONTRACTOR shall participate in the Monterey Integrated System Transformation Initiative (MISTI). CONTRACTOR will take specific actions to develop co-occurring capability within their programs, including:

- Appointing a representative to the MISTI Steering Committee.
- Identifying a change agent for each program to participate in monthly meetings and training events
- Completing a COMPASS-EZ self-assessment for each agency and identifying priority areas for action
- Developing a Quality Improvement (QI) action plan derived from the COMPASS-EZ that focuses on at least three key areas such as improving engagement, recognition, integrated service planning, and staff competency in co-occurring care.
- Participating in activities designed by MCBH to improve collaboration between mental health and substance use disorder programs, ensuring integrated care for individuals with co-occurring conditions

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XVI. DESIGNATED CONTRACT MONITOR

Tawnya Majeski
Behavioral Health Services Manager II
Monterey County Health Department
Behavioral Health Bureau
299 12th Street
Marina, CA 93933
Telephone: (831) 647-7680
Email: majeskit@countyofmonterey.gov

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EXHIBIT B: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPE

Negotiated Rate (NR) up to the maximum contract amount.

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

III. PAYMENT RATE

A. BED HOLD RATE

The rate for Leave of Absence and Bed Hold for acute hospitalization shall remain at the per diem rate based on the placement rate of client at the time of leave.

B. NEGOTIATED RATE

1. The following rates are established by the CONTRACTOR as follows for Mental Health Rehabilitation services for Fiscal Year 2025-26:

a. MHRC Program Service Level Units:

Fiscal Year	MHRC Level 1 Rate (LPS)	Estimated # Bed Days (UOS)	Total MHRC Level 1
July 1, 2025 - June 30, 2026	$518.00	0	$0
TOTAL MAXIMUM COUNTY OBLIGATION:			**$0**

b. FORENSIC Program Service Level Units:

Fiscal Year	Forensic Service	Forensic Rate	Estimated # Bed Days (UOS)	Total Forensic
July 1, 2025 - June 30, 2026	IST, DIV, Murphy	$736.00	0	$0
TOTAL MAXIMUM COUNTY OBLIGATION:				**$0**

c. DBU Program Service Level Units:

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Fiscal Year	DBU Service	DBU Level 1 Rate	Estimated # Bed Days (UOS)	Total DBU Level 1
July 1, 2025 - June 30, 2026	LPS, IST, DIV, Murphy	$1,024.00	3650	$3,737,600
TOTAL MAXIMUM COUNTY OBLIGATION:				$3,737,600

d. 1:1 Monitoring: Enhanced Support & Supervision Rate Service Level Units:

Fiscal Year	1:1 Monitoring Support Rate	Estimated # Hours (UOS)	Total 1:1 Monitoring Support Rate
July 1, 2025 - June 30, 2026	$59.00	400	$23,600
TOTAL MAXIMUM COUNTY OBLIGATION:			$23,600

2. CONTRACTOR will provide individual 1:1 monitoring enhanced support and supervision with prior authorization from COUNTY. The rate for 1:1 monitoring enhanced support and supervision is $59.00 per hour in 15-minute increments. An example of individual support and supervision requiring 1:1 monitoring is:

   - Individual support for clients diagnosed with Severe & Persistent Mental Illness (SPMI) and Intellectual Disabilities, that without this individual support are placing their housing at risk due to the escalation of symptoms and behaviors.

3. CONTRACTOR agrees to immediately contact (or contact as soon as is feasibly possible thereafter, if such determination of need for 1:1 monitoring support is made after hours) COUNTY Contract Monitor and/or Program Manager and/or assigned Contracts Analyst at the time a patient is placed on 1:1 monitoring so that a timely assessment can be made by the COUNTY in conjunction with CPT physician staff.

4. COUNTY clinical expectation is that 1:1 monitoring support and supervision shall not typically exceed 16 hours per day and be an irregular event and not a permanent aspect of a patient's normal care. Patients requiring more than 16 hours per day of individual support and supervision, or who require individual support for consecutive days per month, or who otherwise meet a threshold requiring higher than normal staff supervision, shall be referred to the COUNTY for a clinical review in conjunction with CPT physician staff to determine their suitability for movement to a higher level of care, rather than continuing higher levels of 1:1 monitoring support at the lower level of care.

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of

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Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Cost Reimbursement Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR.

C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor within five (5) calendar days. The COUNTY Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

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V. MAXIMUM OBLIGATION OF COUNTY:

A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **$3,102,010** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
July 1, 2025 - June 30, 2026	$3,102,010
TOTAL AGREEMENT MAXIMUM LIABILITY:	**$3,102,010**

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

E. As an exception to Section D. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY

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reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

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EXHIBIT C: CONFIDENTIALITY OF PATIENT INFORMATION

Confidentiality of Patient Information and Records. All patient information and records are confidential. CONTRACTOR shall maintain the confidentiality of all patient records, including billings and computerized records, in accordance with all state and federal law relating to confidentiality of patient records and patient information, including but not limited to: Welfare and Institutions Code sections 5328, *et seq*., 14100.2, and 10850, *et seq*; Title 45 Code of Federal Regulations section 205.50, and Title 42, CFR, section 431.300 et seq.

"Patient information" or "confidential information" includes any patient/recipient of services identifying information including, but not limited to: name, identifying numbers, symbol, fingerprint, photograph or voice print. In addition, "patient information" or "confidential information" includes all information CONTRACTOR has obtained about a patient/recipient of services whether or not a documentary record of such information exists.

Use and Disclosure of Patient Information. Confidential information gained by CONTRACTOR from access to records and from contact with patients/recipients of service and complainants shall be used by CONTRACTOR only in connection with its performance under this Agreement. CONTRACTOR shall not disclose patient records or information, including the identities of patients/recipients of service, without proper consent to such disclosure or a court order requiring disclosure. In addition, CONTRACTOR shall obtain COUNTY's authorization to such disclosure prior to any release of confidential information. The COUNTY, through the Behavioral Health Director, shall have access to such confidential information.

Penalty for Unauthorized Disclosure. CONTRACTOR understands that disclosure of patient information in violation of law may subject the party releasing the information to a minimum of $10,000 in civil damages, as set forth in Welfare and Institutions Code Section 5330.

Duty to Warn. CONTRACTOR understands that persons providing services under this Agreement may, in certain situations involving a patient or recipient of services who is a danger to himself or others, have a duty to warn third parties of such danger and should consult supervisory staff and/or legal counsel about such duty to warn as appropriate.

Dissemination of these Confidentiality Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above confidentiality provisions.

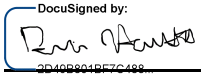
	California Psychiatric Transitions
	Business Name of Contractor
DocuSigned by:  3D40B804BF7C488...	Dina Hackett
Signature of Authorized Representative	Name of Authorized Representative (printed)
7/21/2025 | 9:03 AM PDT	President / CEO
Date	Title of Authorized Representative

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EXHIBIT D: ASSURANCE OF COMPLIANCE WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

CONTRACTOR hereby agrees that it will comply with: (1) Section 504 of the Rehabilitation Act of 1973, as amended (29. U.S.C. 794), (2) all requirements imposed by the applicable HHS Regulations (45 C.F.R. Part 84) and, (3) all guidelines and interpretations issued pursuant thereto.

Pursuant to Section 84.5(a) of the Regulation (45 C.F.R. 84.5a) CONTRACTOR gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (except procurement contracts and contracts of insurance or guaranty), property, discounts or other federal financial assistance extended after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance which will be extended in reliance on the representations and agreements made in this Assurance. The United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on CONTRACTOR, its successors, transferees and assignees. The person or persons whose signatures appear below are authorized to sign this Assurance on behalf of CONTRACTOR.

This Assurance obligates CONTRACTOR for the period during which federal financial assistance is extended or, where the assistance is in the form of real or personal property, for the period provided for in section 84.5(b) of the Regulations (45 C.F.R. 84.5b).

In addition, CONTRACTOR gives this assurance for the purpose of obtaining payment from the COUNTY under this Agreement, regardless of the funding source. This assurance obligates the CONTRACTOR during the entire term of this Agreement.

CONTRACTOR: (Please check A or B)

A. ☐ Employs fewer than fifteen persons;

B. ☒ Employs fifteen or more persons, and pursuant to Section 84.7(a) of the Regulations (45 C.F.R. 84.7a), has designated the following person(s) to coordinate its efforts to comply with the HHS regulations.

Contractor's Business Name	California Psychiatric Transitions		
Name of Contractor's Designee	Dina Hackett		
Title of Designee	President / CEO		
Street 9226 N. Hinton Ave.			
City Delhi	State CA	Zip 95315	
IRS Employer Identification Number	77-0467252		

I certify that the above information is complete and correct to the best of my knowledge and belief.

Docusigned by:
2D49B801BF7C488...

Signature of Contractor

Date 7/21/2025 | 9:03 AM PDT

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EXHIBIT E: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.

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- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

DocuSigned by:
2D49B801BF7C488...
Signature of Authorized Representative

7/21/2025 | 9:03 AM PDT
Date

California Psychiatric Transitions
Contractor (Organization Name)

Dina Hackett
Name of Authorized Representative (*printed*)

President / CEO
Title of Authorized Representative

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EXHIBIT F: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective July 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and CALIFORNIA PSYCHIATRIC TRANSITIONS ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

CALIFORNIA PSYCHIATRIC TRANSITIONS
Attn: Aaron Stocking, Facility Director
P.O. Box 339, 9226 N. Hinton Ave.
Delhi, CA 95315
Phone: (209) 667-9304
Fax: (209) 669-3978
Email: astocking@cptmhrc.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: [signature] 2D49B801BF7C488...	By:
Print Name Dina Hackett	Print Name: Elsa M. Jimenez
Print Title President / CEO	Print Title: Director of Health Services
Date: 7/21/2025 | 9:03 AM PDT	Date:

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EXHIBIT G: COST REIMBURSEMENT INVOICE FORM

Contractor :	CALIFORNIA PSYCHIATRIC TRANSITIONS	Invoice Number :	
Address Line 1	P.O. Box 339	County PO No. :	
Address Line 2	Delhi, CA 95315	Invoice Period :	
Tel. No.:	209-667-9304		
Fax No.:	209-669-3978		
Contract Term:	July 1, 2025 to June 30, 2026	Final Invoice :	(Check if Yes)
BH Division :	Mental Health		BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2024-25	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
MHRC Level 1 (LPS)	5	90	$518.00	0			0	0	0%	$ -	$ -		$ -	$ -	#DIV/0!
Forensic Level (IST, DIV, Murphy)	5	90	$736.00	0			0	0	0%	$ -	$ -		$ -	$ -	#DIV/0!
DBU Level 1 (LPS, IST, DIV, Murphy)	5	90	$1,024.00	3,650			0	3,650	100%	$ 3,737,600	$ -		$ -	$ 3,737,600.00	100%
1:1 Monitoring Rate	5	90	$59.00	400			0	400	100%	$ 23,600			$ -	$23,600	100%
TOTALS				4,050	0	0	0	4,050	100%	$3,761,200	0.00	0.00	0.00	$3,761,200	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Chief Financial Officer Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov

Behavioral Health Claims Section

Behavioral Health Authorization for Payment

Authorized Signatory Date

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EXHIBIT H

MONTHLY CENSUS

PROVIDER: _____ MONTH OF: _____ FY: _____

CLIENT NAME	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	TOTAL
TOTAL:																																

SUBMITTED BY: _____ DATE: _____

APPROVED BY: _____ DATE: _____

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COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

KEITH VANDEVERE, ATTORNEY-AT-LAW,

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide: Service as Hearing Officer in certification review hearings.

2.0 PAYMENT PROVISIONS:

2.01 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 225,000

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from July 1, 2025 to June 30, 2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other: Certification Hearing Form

Exhibit C: Assurance of Compliance with Monterey County's Cultural Competency Policy
Exhibit D: Business Associate Agreement
Exhibit E: Cost Reimbursement Form

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5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 CONTRACTOR shall not receive reimbursement for mileage or travel expenses unless set forth in this Agreement.

7.0 TERMINATION:

7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to

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indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

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9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Workers' Compensation Waiver of Subrogation:

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials,

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employees, agents, or volunteers.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance and endorsements with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.01 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after reciept of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining

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to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.05 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

10.06 **Format of Deliverables:** For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.01 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses,

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pay all charges and fees, and give all notices require by law in the performance of the Services.

13.02 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.03 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Elsa Jimenez, Director of Health Services	Keith Vandevere, Attorney-At-Law
Name and Title	Name and Title
1270 Natividad Rd. Salinas, CA 93906	P.O. Box 945, Pacific Grove, CA 93950
Address	Address
	(831) 659-4774
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance

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of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.01 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.02 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.03 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

********** THIS SECTION INTENTIONALLY LEFT BLANK **********

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18.0 SIGNATURE PAGE

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____

Contracts/Purchasing Officer

Date: _____

By: _____

Department Head (if applicable)

Date: _____

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...

County Counsel

Date: 7/28/2025 | 9:00 AM PDT

Approved as to Fiscal Provisions

By: DocuSigned by: Patricia Ruiz E79EE64E57454E6...

Auditor/Controller

Date: 7/28/2025 | 2:22 PM PDT

Reviewed as to Liability Provisions
Office of the County Counsel-Risk Management

By: _____

David Bolton, Risk Manager

Date: _____

CONTRACTOR

Keith Vandevere, Attorney-At-Law

Contractor/Business Name *

By: DocuSigned by: keith Vandevere 0EE32DCE270E439...

(Signature of Chair, President, or Vice-President)

Keith Vandevere, Attorney-At-Law

Name and Title

Date: 7/16/2025 | 9:52 AM PDT

By: _____

(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

_____

Name and Title

Date: _____

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A, PART ONE: SCOPE OF SERVICES

I. IDENTIFICATION OF CONTRACTOR

Keith Vandevere
Attorney-At-Law
P.O. Box 945
Pacific Grove, CA 93950
(831) 915-1696
kvandevere@gmail.com

II. RECITALS

A. The Lanterman-Petris-Short Act mandates a hearing for all persons still detained within four days after being certified for involuntary mental health treatment. The County of Monterey shall use the services of CONTRACTOR as a qualified certification review hearing officer as defined by section 5256.1 of the Welfare and Institutions Code.

B. CONTRACTOR is duly qualified and desires to serve as a certification review hearing officer in accordance with the terms and conditions of this Agreement, the provisions of the Lanterman-Petris-Short Act, County and Health Department policies and procedures, and applicable laws.

III. QUALIFICATIONS

A. CONTRACTOR covenants that he is a licensed attorney in good standing and meets the requirements of "certification review hearing officer" as defined by section 5256.1 of the Welfare and Institutions Code. CONTRACTOR shall promptly notify COUNTY in the event CONTRACTOR is subject to disciplinary action by the state bar of any jurisdiction in which CONTRACTOR is admitted. Such discipline shall constitute good cause for termination of this Agreement.

B. COUNTY covenants that its certification review panel comprised of the Director of Behavioral Health, the Public Defender, and the County Counsel has unanimously approved the selection of CONTRACTOR as certification review hearing officer pursuant to section 5256.1 of the Welfare and Institutions Code.

IV. PERFORMANCE STANDARDS

A. Compliance with applicable law. At all times during the provision of professional services under the Agreement, CONTRACTOR shall comply with all applicable state and federal laws in conducting certification review hearings including, but not limited to, the Lanterman-Petris-Short Act as codified in the Welfare and Institutions Code and due process requirements.

B. Compliance with policies and procedures. At the conclusion of each hearing, CONTRACTOR shall issue a written opinion using the form entitled "Certification

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Review Hearing" attached hereto as Exhibit B. In addition, CONTRACTOR shall comply with any procedures or policies as may be adopted by the County or the Health Department.

C. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall fully comply with all federal, state, and local laws and regulations which prohibit discrimination. CONTRACTOR shall not unlawfully discriminate against any person because of race, color, religion, sex, national origin, ancestry, physical disability, medical condition, marital status, age (over 40), or sexual preference in performing services under this Agreement. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

D. Confidentiality. CONTRACTOR shall comply with all federal and state law concerning the confidentiality of patient information and medical records including, but not limited to, sections 5328 et seq. of the Welfare and Institutions Code. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR'S obligations under this Agreement.

E. Conflict of Interest. In addition to the provisions included in Section 15.01 of this Agreement, in the event a conflict of interest arises in the context of a specific hearing, CONTRACTOR shall promptly notify all parties to the hearing of the conflict and withdraw from the hearing.

F. Obligations upon termination. In the event of termination, CONTRACTOR shall remain obligated with regard to the confidentiality and record-keeping requirements of this Agreement.

V. PERIOD OF PERFORMANCE

Subject to other Agreement provisions, the period of performance under this Agreement will be from July 1, 2025 through June 30, 2028.

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EXHIBIT A, PART TWO: PAYMENT PROVISIONS

I. PAYMENT TYPES

Cost Reimbursement up to the maximum contract amount.

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit A is contingent upon COUNTY authorized service, and CONTRACTOR'S commitment to provide services in accordance with the terms of this Agreement.

III. PAYMENT RATE

County shall pay for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Services according to the following Payment Schedule.

County shall also pay an annual cost reimbursement for Cyberliability Insurance, up to $1,500 per Fiscal Year. The payment shall be based on the CONTRACTOR's exact cost for Cyberliability Insurance.

Fiscal Year	Estimated Number of Hearings per FY	Rate per Hearing	Cyberliability Insurance Reimbursement Maximum	Total Amount
July 1, 2025 - June 30, 2026	525	$140	$1,500	$75,000
July 1, 2026 - June 30, 2027	525	$140	$1,500	$75,000
July 1, 2027 - June 30, 2028	525	$140	$1,500	$75,000
TOTAL MAXIMUM COUNTY OBLIGATION:				**$225,000**

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as may be required by the County of Monterey, Department of Health, Behavioral Health Bureau, along with backup documentation, on a monthly basis, no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment rate. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this

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Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR. Any "obligations incurred" included in claims for reimbursements and paid by the COUNTY which remain unpaid by the CONTRACTOR after thirty (30) calendar days following the termination or end date of this Agreement shall be disallowed, except to the extent that such failure was through no fault of CONTRACTOR under audit by the COUNTY.

C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to the CONTRACTOR during the term of this Agreement a maximum amount of **$225,000** for services rendered under this Agreement.

B. Maximum Annual Liability:

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FISCAL YEAR LIABILITY	FUNDING SOURCE	AMOUNT
July 1, 2025 - June 30, 2026	1991 Realignment	$75,000
July 1, 2026 - June 30, 2027	1991 Realignment	$75,000
July 1, 2027 - June 30, 2028	1991 Realignment	$75,000
TOTAL MAXIMUM LIABILITY:		**$225,000**

The County retains the right to adjust the funding sources as may be required.

C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in anyway affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in anyway affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY contracts, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current and/or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S

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Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced and/or terminated.

VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

IX. CONTRACT MONITOR:

Perla Calvario Garcia
Patient's Rights Advocate
Monterey County Health Department
Behavioral Health Bureau
1611 Bunker Hill Wy. Ste. 120
Salinas, CA 93906
(831) 755-4518
Calvariop@countyofmonterey.gov

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EXHIBIT B: CERTIFICATION REVIEW HEARING FORM

PATIENT NAME: _____ HOSPITAL NUMBER: _____

CERTIFICATION DATE: _____ CERTIFICATION TYPE* _____

HEARING FACILITY: _____ WARD/UNIT: _____

CERTIFICATION FACILITY (If different from hearing facility): _____

FACILITY REPRESENTATIVE: _____

TITLE: _____

PATIENT REPRESENTATIVE: _____

The above patient was certified for 14 days involuntary treatment pursuant to Section 5250 et. Seq. of the California Welfare and Institutions Code. The Certification was on the basis of one or more criteria specified by law: danger to self, danger to others, or grave disability (strikeout inapplicable).

A certification Review Hearing was held this date to determine whether probable cause exists to continue to involuntarily detain the patient for 14 days intensive treatment on the basis that as a result of a mental disorder the patient is presently as specified, a danger to self, a danger to others, or gravely disabled (unable to provide for basic personal needs for food, clothing, or shelter).

The Patient:

- ☐ Was present
- ☐ Waived presence in accordance with W & I Section 5256.3.

After the hearing it is determined that:

- ☐ Probable cause does not exist
- ☐ Probable cause does exist

The reasons for continued involuntary detention and the evidence relied upon to form this determination are cited below:

_____

_____

_____

_____

Date: _____ Time: _____

Hearing Conducted by: _____ Title: _____

*Certification Codes:

1. Danger to Self Only
2. Danger to Others Only
3. Gravely Disabled Only
4. Danger to Self and Others
5. Danger to Self and Gravely Disabled
6. Danger to Others and Gravely Disabled
7. Danger to Self and Others and Gravely Disabled

ADDRESSORGRAPH PLATE STAMP

Copy to: Patient's Representative
Local Mental Health Director
Facility Medical Director
Hearing Officer

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EXHIBIT C: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY'S CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.

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- Offer services in unserved and underserved communities.
- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.
(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.
(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.
(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.
(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and

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preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.
4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.
5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).
6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.
7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.
8. Ensure that 100% of staff, over a 3 year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

Keith Vandevere, Attorney-at-Law
Contractor (Organization Name)

_____
Signature of Authorized Representative

Keith Vandevere
Name of Authorized Representative (*printed*)

_____
Date

Attorney-At-Law
Title of Authorized Representative

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EXHIBIT D: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective JULY 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and KEITH VANDEVERE, ATTORNEY-AT-LAW ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

Keith Vandevere, Attorney-At-Law
Attn: Keith Vandevere
P.O. Box 945
Pacific Grove, CA 93950
Phone: 831-915-1696
Fax:
Email: kvandevere@gmail.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Keith Vandevere 0EE32DCE2706E439...	By:
Print Name Keith Vandevere	Print Name: Elsa Jimenez
Print Title Attorney-At-Law	Print Title: Director of Health Services
Date: 7/16/2025 | 9:52 AM PDT	Date:

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EXHIBIT E: COST REIMBURSEMENT INVOICE FORM

Contractor :	Keith Vandevere, Attorney-At-Law		
Address Line 1	PO Box 945	County PO No. :	
Address Line 2	Pacific Grove, CA 93950	Invoice Period :	
Tel. No.:	831-915-1696		
Fax No.:			
Contract Term:	July 1, 2025 to June 30, 2028	Final Invoice :	(Check if Yes)
BH Division :			BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2025-28	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
Hearings			$140.00	1,575			0	1,575	100%	$ 220,500	$ -		$ -	$ 220,500.00	100%
Cyberliability Reimbursement			$1,500.00	3			0	3	100%	$ 4,500	$ -		$ -	$ 4,500.00	100%
TOTALS				1,578	0	0	0	1,578	100%	$225,000	0.00	0.00	0.00	$225,000	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Keith Vandevere, Attorney-At-Law Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Behavioral Health Authorization for Payment

_____ _____
Authorized Signatory Date

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COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

FRANK HESPE, ATTORNEY-AT-LAW

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

Provide: Services as Hearing Officer in certification review hearings

2.0 PAYMENT PROVISIONS:

2.01 County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: **$** 80,100

3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from July 1, 2025 to June 30, 2028, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement**.

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B Other: Certification Review Hearing Form;
Exhibit C: Assurance and Compliance with Monterey County's Cultural Competency Policy
Exhibit D: Business Associate Agreement
Exhibit E: Cost Reimbursement Form
Addendum #1

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5.0 PERFORMANCE STANDARDS:

5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6.0 PAYMENT CONDITIONS:

6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.

6.03 Invoice amounts shall be billed directly to the ordering department.

6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.05 CONTRACTOR shall not receive reimbursement for mileage or travel expenses unless set forth in this Agreement.

7.0 TERMINATION:

DS FH 7/28/2025 | 1:17 PM PDT DS FH 7/28/2025 | 1:17 PM PDT

7.01 During the term of this Agreement, ~~the County~~ may terminate the Agreement for any reason by giving written notice of termination to ~~the CONTRACTOR~~ at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

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7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current A.M. Best's Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Agent.

9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to

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indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability Insurance: including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence, and $2,000,000 in the aggregate.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Auto Liability Coverage: must include motor vehicles, including scheduled, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit or Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Workers' Compensation Insurance: if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.
(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

Professional Liability Insurance: if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.
(Note: Professional liability insurance coverage is required if the contractor is providing a professional service regulated by the state. Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc. However, other professional Contractors, such as computer or software designers, technology services, and services providers such as claims administrators, should also have professional liability. If in doubt, consult with your risk or contract manager.)

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor.

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9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Additional Insured Status:

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the auto liability policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor. Auto liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance.

The County of Monterey, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on the commercial general liability policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage shall be provided in the form of an endorsement to the CONTRACTOR'S insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used).

Primary Coverage:

For any claims related to this contract, the CONTRACTOR'S insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Workers' Compensation Waiver of Subrogation:

The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, officials,

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employees, agents, or volunteers.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance and endorsements with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10.0 RECORDS AND CONFIDENTIALITY:

10.01 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after reciept of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of $10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining

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to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.05 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

10.06 **Format of Deliverables:** For this section, "Deliverables" shall mean all electronic documents CONTRACTOR provides to the County under this Agreement. CONTRACTOR shall ensure all Deliverables comply with the requirements of the Web Content Accessibility Guidelines ("WCAG") 2.1, pursuant to the Americans with Disabilities Act ("ADA"). CONTRACTOR bears the burden to deliver Deliverables, such as Adobe Acrobat Portable Document Format ("PDF") and Microsoft Office files, complying with WCAG 2.1. CONTRACTOR shall defend and indemnify the County against any breach of this Section. This Section shall survive the termination of this Agreement. Find more on Accessibility at this State website: https://webstandards.ca.gov/accessibility/.

11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sexual orientation, or any other characteristic set forth in California Government code § 12940(a), either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13.0 COMPLIANCE WITH APPLICABLE LAWS:

13.01 CONTRACTOR shall keep itself informed of and in compliance with all federal, state, and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this AGREEMENT as well as any privacy laws including, if applicable, HIPAA. CONTRACTOR shall procure all permits and licenses,

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pay all charges and fees, and give all notices require by law in the performance of the Services.

13.02 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.

13.03 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations, and guidelines that are in force at the time such documentation is prepared.

14.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

15.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	**FOR CONTRACTOR:**
Elsa Jimenez, Director of Health Services	Frank Hespe, Attorney-At-Law
Name and Title	Name and Title
1270 Natividad Blvd, Salinas, CA 93906	26385 Carmel Rancho Blvd., Ste. 110, Carmel, CA 93923
Address	Address
	831-601-3434
Phone:	Phone:

16.0 MISCELLANEOUS PROVISIONS.

16.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance

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of the services required to be rendered under this Agreement.

16.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

16.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

16.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

16.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.

16.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

16.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

16.08 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

16.09 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.

16.10 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California; venue shall be Monterey County.

16.11 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

16.12 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

16.13 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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16.14 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

16.15 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.

16.16 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

17.0 CONSENT TO USE OF ELECTRONIC SIGNATURES.

17.01 The parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Agreement. The parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C. Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 *et. seq.* Pursuant to said state and federal law as may be amended from time to time, the parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF).

17.02 **Counterparts.**

The parties to this Agreement understand and agree that this Agreement can be executed in two (2) or more counterparts and transmitted electronically via facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) via email transmittal.

17.03 **Form: Delivery by E-Mail or Facsimile.**

Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail transmittal, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart or counterparts had been delivered to the other party in person.

********** THIS SECTION INTENTIONALLY LEFT BLANK **********

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18.0 SIGNATURE PAGE

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: _____

Contracts/Purchasing Officer

Date: _____

By: _____

Department Head (if applicable)

Date: _____

Approved as to Form
Office of the County Counsel[1]
Susan K. Blitch, County Counsel

By: DocuSigned by: Kevin Serrano CF464EA4829E4B5...

County Counsel

Date: 7/28/2025 | 8:54 AM PDT

Approved as to Fiscal Provisions

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...

Auditor/Controller

Date: 7/28/2025 | 11:52 AM PDT

Reviewed as to Liability Provisions
Office of the County Counsel-Risk Management

By: _____

David Bolton, Risk Manager

Date: _____

CONTRACTOR

Frank Hespe, Attorney-At-Law

Contractor/Business Name *

By: DocuSigned by: Frank Hespe 7656F6AE43CE442...

(Signature of Chair, President, or Vice-President)

Frank Hespe, Attorney-At-Law

Name and Title

Date: 7/16/2025 | 6:04 AM PDT

By: _____

(Signature of Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

_____

Name and Title

Date: _____

County Board of Supervisors' Agreement No. _____ approved on _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers (California Corporations Code, §313). If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of either 1) any member, or 2) two (2) managers (Corporations Code, §17703.01, subds. (a) and (d)). If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute on behalf of the partnership (Corporations Code, §§16301 and 15904.02). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign

[1]Approval by the Office of the County Counsel is required.

[2]Approval by Auditor-Controller is required.

[3]Review by Risk Management is necessary only if changes are made in the Indemnification or Insurance paragraphs.

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EXHIBIT A, PART ONE: SCOPE OF SERVICES

I. IDENTIFICATION OF CONTRACTOR

Name: Frank Hespe
Attorney-At-Law
Address: 26385 Carmel Rancho Blvd., Ste 110
Carmel, CA 93923
(831) 601-3434

II. RECITALS

A. The Lanterman-Petris-Short Act mandates a hearing for all persons to be certified for involuntary mental health treatment. The County of Monterey shall use the services of CONTRACTOR as a qualified Certification Review Hearing Officer as defined by section 5256.1 of the Welfare and Institutions Code.

B. CONTRACTOR is duly qualified and desires to serve, as Certification Review Hearing Officer in accordance with the terms and conditions of this Agreement, the provisions of the Lanterman-Petris-Short Act, COUNTY and Health Department policies and procedures, and applicable laws.

III. QUALIFICATIONS

A. CONTRACTOR covenants that he is a licensed attorney in good standing and meets the requirements of "certification review hearing officer" as defined by section 5256.1 of the Welfare and Institutions Code. CONTRACTOR shall promptly notify COUNTY in the event CONTRACTOR is subject to disciplinary action by the State Bar of any jurisdiction in which CONTRACTOR is admitted. Such discipline shall constitute good cause for termination of this Agreement.

B. COUNTY covenants that its certification review panel comprised of the Director of Behavioral Health, the Public Defender, and the County Counsel has unanimously approved the selection of CONTRACTOR as certification review hearing officer pursuant to section 5256.1 of the Welfare and Institutions Code.

IV. PERFORMANCE STANDARDS

A. Compliance with applicable law. At all times during the provision of professional services under this Agreement, CONTRACTOR shall comply with all applicable state and federal law in conducting Certification Review Hearings including, but not limited to, the Lanterman-Petris-Short Act as codified in the Welfare and Institutions Code, Department of Health Care Services opinions and guidelines, and due process requirements.

B. Compliance with policies and procedures. At the conclusion of each hearing, CONTRACTOR shall issue a written opinion using the form entitled "Certification Review Hearing" attached hereto as Exhibit B. In addition, CONTRACTOR shall comply

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with any procedures or policies as may be adopted by the County and the Health Department.

C. Non-discrimination. During the performance of this Agreement, CONTRACTOR shall fully comply with all federal, state, and local laws and regulations which prohibit discrimination. CONTRACTOR shall not unlawfully discriminate against any person because of race, color, religion, sex, national origin, ancestry, physical disability, medical condition, marital status, age (over 40), or sexual orientation in performing services under this Agreement. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

D. Confidentiality. CONTRACTOR shall comply with all federal and state law concerning the confidentiality of patient information and medical records including, but not limited to, sections 5328 et seq. of the Welfare and Institutions Code. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR'S obligations under this Agreement.

E. Conflict of interest. In addition to the provisions included in Section 15.01 of this Agreement, in the event a conflict of interest arises in the context of a specific hearing, CONTRACTOR shall promptly notify all parties to the hearing of the conflict and withdraw from the hearing.

F. Obligations upon termination. In the event of termination, CONTRACTOR shall remain obligated with regard to the confidentiality and record-keeping requirements of this Agreement.

V. HEARING SCHEDULING

A. Natividad Medical Center (NMC) Mental Health Unit, and Community Hospital of the Monterey Peninsula (CHOMP) Garden Pavilion Behavioral Health Unit shall schedule Hearing Officers (and Patients' Right Advocates) at the following times:

B. Hearing Schedule: Natividad Medical Center

- NMC Certification Review hearings are routinely scheduled on Monday and Thursday at 1:30 PM.
- NMC Capacity Hearings are routinely scheduled by the Mental Health Unit Clerk on Monday and Thursday at 1:30 PM.

C. Hearing Schedule: Community Hospital of the Monterey Peninsula

- CHOMP Certification Review hearings are routinely scheduled on Tuesday and Friday mornings at 10:30 AM.
- CHOMP Capacity Hearings are scheduled by the Social Worker and usually take place at 10:30 AM on Tuesday mornings.

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D. In the event that the primary Hearing Officer is unavailable for hearings, he shall contact CONTRACTOR in his capacity as substitute Hearing Officer to arrange for substitute Hearing Officer services.

VI. SUBSTITUTE HEARING OFFICER SERVICES

CONTRACTOR agrees to provide the following services:

A. Serve as the COUNTY substitute Hearing Officer (HO) at Certification Review Hearings as noted in Section V. HEARING SCHEDULING. CONTRACTOR will be notified in advance by the Primary Hearing Officer if that individual is unable to attend a Hearing, and the services of the CONTRACTOR are required.

VII. PERIOD OF PERFORMANCE

Subject to other Agreement provisions, the period of performance under this Agreement will be from July 1, 2025 through June 30, 2028.

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EXHIBIT A, PART TWO: PAYMENT PROVISIONS

I. PAYMENT TYPE

Cost Reimbursement up to the maximum Agreement amount.

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit A is contingent upon COUNTY authorized service, and CONTRACTOR'S commitment to provide services in accordance with the terms of this Agreement.

III. PAYMENT RATES

County shall pay for the performance of all things necessary for or incidental to the performance of work as set forth in the Scope of Services according to the following Payment Schedule.

County shall also pay an annual cost reimbursement for Cyberliability Insurance, up to $1,500 per Fiscal Year. The payment shall be based on the CONTRACTOR's exact cost for Cyberliability Insurance.

Fiscal Year	Estimated Number of Hearings per FY	Rate per Hearing	Cyberliability Insurance Reimbursement Maximum	Total Amount
July 1, 2025 - June 30, 2026	180	$140	$1,500	$26,700
July 1, 2026 - June 30, 2027	180	$140	$1,500	$26,700
July 1, 2027 - June 30, 2028	180	$140	$1,500	$26,700
TOTAL MAXIMUM COUNTY OBLIGATION:				**$80,100**

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as may be required by the County of Monterey, Department of Health, Behavioral Health Bureau, along with backup documentation, on a monthly basis, no later than the thirtieth (30th) day of the month following the month of service. See Section III, above, for payment rate. The amount requested for payment for services provided under this agreement shall be in accordance with the approved budget and shall not exceed the payment rates set forth in Section III, above.

CONTRACTOR shall submit via email or mail a monthly claim along with supporting documentations, as may be required by the COUNTY for services rendered to:

MCHDBHFinance@countyofmonterey.gov

B. CONTRACTOR shall not make claims for reimbursements other than as permitted, and

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only in the amounts specified, in Section III, above. CONTRACTOR shall submit all previously un-submitted claims for payment for services rendered under this Agreement within thirty (30) calendar days following the termination or end date of this Agreement. All such claims not submitted within thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claims for payment for services submitted following the termination or end date of this Agreement, and which are for services rendered more than thirty (30) days before the termination or end date of this Agreement, may be disallowed, except to the extent that such delay was through no fault of CONTRACTOR.

C. If CONTRACTOR fails to properly submit claim(s) for services provided under this Agreement in a manner consistent with the requirements of Section(s) IV(B)-(C), above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.

D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement and shall then submit such certified claim to the COUNTY Auditor. The County Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.

F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

V. MAXIMUM OBLIGATION OF COUNTY

A. Subject to the limitations set forth herein, COUNTY shall pay to the CONTRACTOR during the term of this Agreement a maximum amount of **$80,100** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	FUNDING SOURCE	AMOUNT
July 1, 2025 - June 30, 2026	1991 Realignment	$26,700
July 1, 2026 - June 30, 2027	1991 Realignment	$26,700
July 1, 2027 - June 30, 2028	1991 Realignment	$26,700
TOTAL MAXIMUM LIABILITY:		**$80,100**

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C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.

D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.

VI. BILLING AND PAYMENT LIMITATIONS

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

VII. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in anyway affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in anyway affect the provisions or funding of this Agreement.

C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY contracts, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.

D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current and/or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced and/or terminated.

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VIII. AUTHORITY TO ACT FOR THE COUNTY

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."

IX. CONTRACT MONITOR:

Perla Calvario Garcia
Patient's Rights Advocate
Monterey County Health Department
Behavioral Health Bureau
1611 Bunker Hill Wy. Ste. 120
Salinas, CA 93906
(831) 755-4518
Calvariop@countyofmonterey.gov

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EXHIBIT B: CERTIFICATION REVIEW HEARING

PATIENT NAME: _____ HOSPITAL NUMBER: _____

CERTIFICATION DATE: _____ CERTIFICATION TYPE* _____

HEARING FACILITY:_____ WARD/UNIT:_____

CERTIFICATION FACILITY (If different from hearing facility): _____

FACILITY REPRESENTATIVE: _____

TITLE:_____

PATIENT REPRESENTATIVE: _____

The above patient was certified for 14 days involuntary treatment pursuant to Section 5250 et. Seq. of the California Welfare and Institutions Code. The Certification was on the basis of one or more criteria specified by law: danger to self, danger to others, or grave disability (strikeout inapplicable).

A certification Review Hearing was held this date to determine whether probable cause exists to continue to involuntarily detain the patient for 14 days intensive treatment on the basis that as a result of a mental disorder the patient is presently as specified, a danger to self, a danger to others, or gravely disabled (unable to provide for basic personal needs for food, clothing, or shelter).

The Patient:

☐ Was present

☐ Waived presence in accordance with W & I Section 5256.3.

After the hearing it is determined that:

☐ Probable cause does not exist

☐ Probable cause does exist

The reasons for continued involuntary detention and the evidence relied upon to form this determination are cited below:

_____

_____

_____

Date: _____ Time: _____

Hearing Conducted by: _____ Title: _____

*Certification Codes:
1. Danger to Self Only
2. Danger to Others Only
3. Gravely Disabled Only
4. Danger to Self and Others
5. Danger to Self and Gravely Disabled
6. Danger to Others and Gravely Disabled
7. Danger to Self and Others and Gravely Disabled

ADDRESS OR GRAPH PLATE STAMP

Copy to: Patient's Representative
Local Mental Health Director
Facility Medical Director
Hearing Officer

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EXHIBIT C: ASSURANCE OF COMPLIANCE WITH MONTEREY COUNTY CULTURAL COMPETENCY POLICY

In a culturally competent system, each provider organization shows respect for and responds to individual differences and special needs. Services are provided in the appropriate cultural context and without discrimination related to race, national origin, income level, religion, gender, sexual orientation, age, or physical disability, to name a few. Culturally competent caregivers are aware of the impact of their own culture on their relationships with consumers/families and know about and respect cultural and ethnic differences. They adapt their skills to meet each individual's/family's values and customs. Cultural competence is a developmental and dynamic process – one that occurs over time.

Organizations in a Culturally Competent Service System Promote:

Quality Improvement

- Continuous evaluation and quality improvement
- Supporting evidence-based, promising, community defined, and emerging practices that are congruent with ethnic/racial/linguistic group belief systems, cultural values and help-seeking behaviors.

Collaboration

- Collaborating with Behavioral Health and other community programs
- Resolving barriers to partnerships with other service providers

Access

- Providing new services to unserved and underserved children, youth, adults and/or older adults
- Reducing disparities in access to, and retention in, care as identified in the Mental Health Services Act Plan
- Ensuring representation of mental health services consumers, family members of a mental health services consumer, and/or representatives from unserved communities on their advisory/governance body or committee for development of service delivery and evaluation (with a minimum target of 40%).
- Developing recruitment, hiring, and retention plans that are reflective of the population focus, communities' ethnic, racial, and linguistic populations.

Cultural Competent Services:

- Are available, accessible and welcoming to all clients regardless of race, ethnicity, language, age, and sexual orientation.
- Provide a physical environment that is friendly, respectful and inclusive of all cultures.
- Provide information, resources and reading materials in multilingual formats.
- Promote and foment culturally accepted social interactions, respect and healthy behaviors within the family constellation and service delivery system.
- Provide options for services, which are consistent with the client's beliefs, values, healing traditions, including individual preferences for alternative, spiritual and/or holistic approaches to health.
- Offer services in unserved and underserved communities.

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- Have services available in the evening and on weekends to ensure maximum accessibility.
- Offer services in Spanish and other necessary languages (such as Tagalog, Vietnamese, Oaxacan, Trique and other languages spoken of Monterey County residents).

Definitions for Cultural Competency

"Cultural Competence" is defined as a set of congruent practice skills, knowledge, behaviors, attitudes, and policies that come together in a system, agency, or among consumer providers, family members, and professionals that enables that system, agency, or those professionals and consumers, and family member providers to work effectively in cross-cultural situations.

(Adapted from Cross, et al., 1989; cited in DMH Information Notice No.02-03).

"Cultural Competence" is a means to eliminating cultural, racial and ethnic disparities. Cultural Competence enhances the ability of the whole system to incorporate the languages, cultures, beliefs and practices of its clients into the service. In this way all clients benefit from services that address their needs from the foundation of their own culture. Strategies for elimination of these disparities must be developed and implemented. Cultural Competence must be supported at all levels of the system.

(CMHDA Framework for Eliminating Cultural, Linguistic, Racial and Ethnic Behavioral Health Disparities)

[Cultural Competency] A set of congruent behaviors, attitudes, and policies that come together in a system, agency or amongst professionals and consumers and enables that system, agency or those professionals and consumers to work effectively in cross-cultural situations.

(Cross, Bazron, Dennis & Issacs, 1989)

The ability to work effectively with culturally diverse clients and communities.

(Randall David, 1994)

CONTRACTOR hereby agrees that it will comply with the principles and guidelines set forth in Monterey County's Health Department – Behavioral Health's Cultural Competency Policy (as outlined above), and will:

1. Develop organizational capacity to provide services in a culturally and linguistically competent manner. This may include: hiring staff with the linguistic capabilities needed to meet the diverse language needs in Monterey County (for example, Spanish, Tagalog, Vietnamese, Oaxacan, Trique, American Sign Language (ASL), Middle Eastern languages); providing staff with training in cultural competency; making services accessible at locations and times that minimize access barriers, and ensuring that staff have an open, welcoming and positive attitude and feel comfortable working with diverse cultures.

2. Create a physical environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: decorating waiting and treatment areas with pictures that reflect the diverse cultures of Monterey County; providing reading materials, resources and magazines in varied languages, at appropriate reading levels and suitable for different age groups, including children and youth; consideration of cultural differences and preferences when offering refreshments; ensuring that any pictures, symbols or materials on display are not unintentionally disrespectful to another culture.

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3. Provide a services delivery environment that ensures people of all cultures, ages and sexual orientation feel welcome and cared for. This may include: respect for individual preferences for alternative, spiritual and/or holistic approaches to health; a reception staff that is competent in the different languages spoken by consumers/families; staff that is knowledgeable of cultural and ethnic differences and needs, and is able and willing to respond an appropriate and respectful manner.

4. Support the county's goal to reduce disparities to care by increasing access and retention while decreasing barriers to services by unserved and underserved communities.

5. Include the voice of multi-cultural youth, client and family members, including: monolingual and bilingual clients and family members and representatives from unserved and underserved communities, in the advisory/governance body or committee for development of service delivery, planning and evaluation (County Goal: 40%).

6. Participate in outcome evaluation activities aimed at assessing individual organizations as well as countywide cultural competency in providing mental health services.

7. As requested, meet with the Monterey County Health Department - Behavioral Health Director or designee to monitor progress and outcomes of the project.

8. Ensure that 100% of staff, over a 3-year period, participate in cultural competency training including, but not limited to, those offered by Monterey County Behavioral Health.

Dissemination of these Provisions. CONTRACTOR shall inform all its officers, employees, agents, and subcontractors providing services hereunder of these provisions.

By my signature below, as the authorized representative of the CONTRACTOR named below, I certify acceptance and understanding for myself and the CONTRACTOR of the above provisions.

Frank Hespe, Attorney-At-Law
Contractor (Organization Name)

_____
Signature of Authorized Representative

Frank Hespe
Name of Authorized Representative (*printed*)

_____
Date

Attorney-At-Law
Title of Authorized Representative

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EXHIBIT D: BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective JULY 1, 2025 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of the Health Department ("Covered Entity") and FRANK HESPE, ATTORNEY-AT-LAW ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, the Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards for the Protection of Electronic Protected Health Information, 45 C.F.R. Part 160 and Part 164, subparts A and C (the "Security Rule") (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, the Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, to the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, the Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirements.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in HIPAA.

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(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402; however, the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code § 1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality, privacy, or security of PHI or other personally identifiable information (PII), including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code § 56 *et seq.*), the patient access law (Cal. Health & Safety Code § 123100 *et seq.*), the HIV test result confidentiality law (Cal. Health & Safety Code § 120975 *et seq.*), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code § 5328 *et seq.*), and California's data breach law (Cal. Civil Code § 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individual, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. PHI, when used in this BAA, includes EPHI.

(d) "Services" shall mean the services for or functions performed by Business Associate on behalf of Covered Entity pursuant to an underlying services agreement "(Services Agreement") between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws if done by Covered Entity;

(b) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(c) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(d) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as

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permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached; and

(e) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure, Security Incident, or suspected Breach. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in unauthorized access, acquisition, Use or Disclosure of PHI. For the avoidance of doubt, a ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request;

(i) If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) In consultation with Covered Entity, Business Associate shall promptly mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach; and

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(iii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and other persons required by law to be notified. Business Associate shall assist with any notifications, as requested by Covered Entity. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing notification to affected individuals, appropriate government agencies, and any other persons required by law to be notified (e.g., without limitation, the media or consumer reporting agencies), including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one (1) year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or other PII has or may have been compromised as a result of the Breach.

(b) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule and industry best practices to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(c) Obtain and maintain a written agreement with each of its Subcontractors that creates, receives, maintains, or transmits PHI that requires each such Subcontractor to adhere to restrictions and conditions that are at least as restrictive as those that apply to Business Associate pursuant to this BAA. Upon request, Business Associate shall provide Covered Entity with copies of its written agreements with such Subcontractors;

(d) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with HIPAA. Business Associate shall immediately notify Covered Entity of any such requests by the Secretary and, upon Covered Entity's request, provide Covered Entity with any copies of documents Business Associate provided to the Secretary. In addition, Business Associate shall promptly make available to Covered Entity such practices, records, books, agreements, policies and procedures relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity. The fact that Covered Entity has the right to inspect, inspects, or fails to inspect Business Associate's internal practices, records, books, agreements, policies and procedures does not relieve Business Associate of its responsibility to comply with this BAA, regardless of whether Covered Entity detects or fails to detect a violation by Business Associate, nor does it constitute Covered Entity's acceptance of such practices or waiver of Covered Entity's rights under this BAA;

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(e) Document Disclosures of PHI and information related to such Disclosure and, within twenty (20) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528 and the HITECH Act. At a minimum, the Business Associate shall provide Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(f) Subject to Section 4.4 below, return to Covered Entity in a mutually agreeable format and medium, or destroy, within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(g) Use, Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(h) If all or any portion of the PHI is maintained in a Designated Record Set;

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity, or to the individual, if so directed by Covered Entity, to meet a request by an individual under 45 C.F.R. § 164.524 or California Confidentiality Laws. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for access to PHI from an individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within five (5) days of its receipt of a request for amendment of PHI from an individual.

(i) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(j) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(k) Unless prohibited by law, notify Covered Entity as soon as possible and in no case later than five (5) days after the Business Associate's receipt of any request

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or subpoena for PHI. To the extent that Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with Covered Entity in such challenge; and

(l) Maintain policies and procedures materially in accordance with HIPAA and California Confidentiality Laws and industry standards designed to ensure the confidentiality, availability, and integrity of Covered Entity's data and protect against threats or vulnerabilities to such data.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and Covered Entity, all PHI shall be and remain the sole property of Covered Entity.

(b) Business Associate is not permitted to Use PHI to create de-identified information except as approved in writing by Covered Entity.

(c) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA.

(d) Business Associate further acknowledges that Uses and Disclosures of PHI must be consistent with Covered Entity's privacy practices, as stated in Covered Entity's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online from the Covered Entity's webpage. Business Associate agrees to review the Notice of Privacy Practices at this URL at least once annually while doing business with Covered Entity to ensure it remains updated on any changes to the Notice of Privacy Practices Covered Entity may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall notify Business Associate of any (i) changes in, or withdrawal of, the authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; or (ii) restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect until all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it is infeasible to return or destroy PHI, protections are extended to such PHI, in accordance with the termination provisions in Section 4.4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

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4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement without penalty; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of all Services Agreements between Covered Entity and Business Associate that would necessitate having this BAA in place.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return or destroy all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning or destroying the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. Business Associate shall certify in writing that all PHI has been returned or securely destroyed, and no copies retained, upon Covered Entity's request. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall notify Covered Entity in writing of the condition that makes return or destruction infeasible. If Covered Entity agrees that return or destruction of the PHI is infeasible, as determined in its sole discretion, Business Associate shall: (i) retain only that PHI which is infeasible to return or destroy; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Sections 2 and 3 above, which applied prior to termination; and (v) return to Covered Entity the PHI retained by Business Associate when such return is no longer infeasible.

5. MISCELLANEOUS

5.1 Survival. The obligations of Business Associate under the provisions of Sections 3.1, 3.2, and 4.4 and Article 5 shall survive termination of this BAA until such time as all PHI is returned to Covered Entity or destroyed.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA or California Confidentiality Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

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5.3 **No Third Party Beneficiaries**. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 **Notices**. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile or email to the facsimile telephone numbers or email addresses listed below.

If to Business Associate, to:

Frank Hespe, Attorney-At-Law
Attn: Frank Hespe
26385 Carmel Rancho Blvd., Ste 110
Carmel, CA 93923
Phone: 831-601-3434
Fax:
Email: fhespe@hespelaw.com

If to Covered Entity, to:

County of Monterey Health Department
Attn: Compliance/Privacy Officer
1270 Natividad Road
Salinas, CA 93906
Phone: 831-755-4018
Fax: 831-755-4797
Email: sumeshwarsd@countyofmonterey.gov

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 **Counterparts; Facsimiles**. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile and electronic copies hereof shall be deemed to be originals.

5.6 **Relationship of Parties**. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

5.7 **Choice of Law; Interpretation**. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with HIPAA and the California Confidentiality Laws.

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5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA, HIPAA or California Confidentiality Laws, or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any Services Agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Services Agreements and business associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate under the Services Agreement, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs expenses, fines, and compliance costs arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Without limiting the foregoing, at a minimum, Business Associate's required insurance under this Section shall include cyber liability insurance covering breach notification expenses, network security and privacy liability. The insurance coverage limits, per claim and in the aggregate, shall not be less than the following amounts based upon the number of unique patient served under this agreement:

Unique Patients	Coverage
Less than 12,001	$2,000,000
12,001 – 30,000	$3,000,000
30,001 – 60,000	$5,000,000
More than 60,000	$10,000,000

If the Business Associate maintains broader coverage and/or higher limits than these minimums, the Covered Entity requires, and shall be entitled to, the broader coverage and/or the higher limits maintained by the Business Associate. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be

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available to the Covered Entity. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law. This includes, without limitation, any allegation that Business Associate has violated HIPAA or other federal or state privacy or security laws.

5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliance review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA or the California Confidentiality Laws.

5.13 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any Subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under any Services Agreements, available to Covered Entity, at no cost to Covered Entity, to testify in any claim commenced against Covered Entity, its directors, officers, employees, successors, and assigns based upon claimed violation by Business Associate or its agents or subcontractors of HIPAA or other applicable law, except where Business Associate or its Subcontractor, employee, or agent is a named adverse party.

5.14 No Offshore Work. In performing the Services for, or on behalf of, Covered Entity, Business Associate shall not, and shall not permit any of its Subcontractors, to transmit or make available any PHI to any entity or individual outside the United States without the prior written consent of Covered Entity.

5.15 Information Blocking Rules. Business Associate shall not take any action, or refuse to take any action, with regard to Covered Entity's electronic health information that would result in "information blocking" as prohibited by 42 U.S.C. § 300jj-52 and 45 C.F.R. Part 171 (collectively, "Information Blocking Rules"). Business Associate and Covered Entity shall cooperate in good faith to ensure Covered Entity's electronic health information is accessed, exchanged, and used in compliance with the Information Blocking Rules.

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IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE	**COVERED ENTITY**
By: DocuSigned by: Frank Hespe 7656F6AE43CE442...	By:
Print Name Frank Hespe	Print Name: Elsa Jimenez
Print Title Attorney-At-Law	Print Title: Director of Health Services
Date: 7/16/2025 | 6:04 AM PDT	Date:

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EXHIBIT E: COST REIMBURSEMENT INVOICE FORM

Contractor :	Frank Hespe, Attorney-At-Law		
Address Line 1	26385 Carmel Rancho Blvd, Ste 110	County PO No. :	
Address Line 2	Carmel, CA 93923	Invoice Period :	
Tel. No.:	831-601-3434		
Fax No.:			
Contract Term:	July 1, 2025 to June 30, 2028	Final Invoice :	(Check if Yes)
BH Division :			BH Control Number

Service Description	Mode of Service	SFC	Rate of Reimbursement per Unit	Total Contracted UOS FY 2025-28	UOS Delivered this Period	Total UOS Delivered as of Last Period	UOS Delivered to Date	Remaining Deliverables	% of Remaining Deliverables	Total Contract Amount	Dollar Amount Requested this Period	Dollar Amt Requested as of Last Period	Dollar Amount Requested to Date	Dollar Amount Remaining	% of Total Contract Amount
Hearings			$140.00	540			0	540	100%	$ 75,600	$ -		$ -	$ 75,600.00	100%
Cyberliability Reimbursement			$1,500.00	3			0	3	100%	$ 4,500	$ -		$ -	$ 4,500.00	100%
TOTALS				543	0	0	0	543	100%	$80,100	0.00	0.00	0.00	$80,100	100%

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: _____ Date: _____

Title: Keith Vandevere, Attorney-At-Law Telephone: _____

Send to: MCHDBHFinance@countyofmonterey.gov
Behavioral Health Claims Section

Behavioral Health Authorization for Payment

_____ _____
Authorized Signatory Date

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ADDENDUM #1
To County of Monterey Standard Agreement

CONTRACTOR: Frank Hespe, Attorney-At-Law

1. All terms of the Standard Agreement shall remain the same except, as provided herein, and hereby modified to read as follows:

7.0 TERMINATION.

7.01. During the term of this Agreement, ~~the County~~ ***either party*** may terminate the Agreement for any reason by giving written notice of termination to the ~~CONTRACTOR~~ ***other party*** at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

2. Except as provided herein, all other terms and conditions of the Standard Agreement with Frank Hespe, Attorney-At-Law shall remain in full force and effect.

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STUDENT PLACEMENT AGREEMENT
BETWEEN
THE COUNTY OF MONTEREY, BY AND THROUGH
THE COUNTY OF MONTEREY HEALTH DEPARTMENT,
AND
SONOMA STATE UNIVERSITY

THIS AGREEMENT is made and entered into this 26 day of August, 2025 between **Sonoma State University** ("Institution") and the County of Monterey, on behalf of Monterey County Department of Health ("COUNTY").

A. Institution is committed to service in the community and applied learning experiences for students. This is accomplished both through field education and service-learning requirement. Field education and service learning involve the completion of internship or externship assignments in the local community that tie meaningful learning experiences directly to course content. Through reflective activities, service, and field seminars, students enhance their understanding of course content, sense of civic responsibility, self-awareness, professional development, and commitment to the community.

B. The mission of the COUNTY is to excel at providing quality services for the benefit of all Monterey County residents while developing, maintaining and enhancing the resources of the region.

C. COUNTY and Institution recognize the opportunity for meaningful learning experiences for Institution, COUNTY, and students. Institution supports the goals and objectives of the COUNTY program in which students will participate.

D. Health services provided and administered by the COUNTY are governed by but not limited to: Health Insurance Portability and Accountability Act of 1996, 45 C.F.R. Part 160 and Part 164 as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations; California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 et seq.; Lanterman-Petris-Short Act [Welfare and Institutions Code Section 5000 et seq.]; California Code of Regulations, Title 22, § 51009; Confidential Nature of Records; Welfare and Institutions Code section 14100.2 and 42 Code of Federal Regulations section 431.300 et.seq.

The parties agree as follows:

I. INSTITUTION'S RESPONSIBILITIES

A. Student Profile. Institution shall make available to COUNTY a field application student profile which shall include the student's name, address, telephone number, other pertinent information. The COUNTY shall review student applications and select students for internship with the COUNTY. Each student shall be responsible for submitting his or her

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student profile before the Program training period begins. COUNTY shall regard this information as confidential and shall use the information only to identify each student.

B. Schedule of Assignments. Institution shall notify COUNTY designated staff of student assignment, including the name of the student, level of academic preparation, and length and dates of proposed experience. The maximum number of students shall be mutually agreed by the parties. The starting date and length of each Program training period shall be mutually agreed by the parties.

C. Program Coordinator. Institution shall designate a point of contact to coordinate with COUNTY's designee in planning the Program to be provided to students.

D. Records. Institution shall maintain all personnel records for its staff and all academic records for its students. COUNTY will ensure any records kept for student performance are sent to the Institution as proof of student accomplishments.

E. Student Qualifications: Institution shall provide appropriate health and safety training to all students on a regular basis, in accordance with prevailing Federal and State laws and regulations. Institution shall require that each student designated by Institution for clinical and/or practicum experience under this Agreement shall meet the minimum qualifications for a student in the designated Program. Additionally, Institution shall ensure that: (i) all students have documented training to meet OSHA Regulations on occupational Exposure to Blood-borne Pathogens prior to the beginning of the internship experience; and (ii) each student assigned to the COUNTY meet the COUNTY's requirements, see Exhibit A. Where Institution maintains any and all records of such testing, such records shall be made available to COUNTY upon request.

F. Health Insurance. Institution shall ensure each student has his or her own health insurance if not provided by the Institution.

G. Student Responsibilities. Institution shall notify students in the program that they are responsible for:

1) Complying with COUNTY's clinical and administrative policies, procedures, rules, and regulations, as outlined in Exhibit A of this Agreement.

2) Arranging for his/her own transportation and living arrangements.

3) Assuming responsibility for personal illnesses, necessary immunizations, tuberculin tests, annual health examinations and other requirements as identified by the COUNTY; refer to Exhibit A for COUNTY training requirements.

4) Maintaining the confidentiality of patient information.

a) No student shall have access to or have the right to receive any medical record, except when necessary in the regular course of the practicum

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experience. The discussion, transmission, or narration in any form by students of any individually identifiable patient information, medical or otherwise, obtained in the course of the program is forbidden except as a necessary part of the practical experience.

b) Neither the Institution nor its employees or agents shall be granted access to individually identifiable information unless the patient has first given consent using a form approved by COUNTY that complies with applicable state and federal law as defined in Recital D of this Agreement and its implementing regulations.

c) COUNTY shall reasonably assist student in obtaining patient consent in appropriate circumstances when applicable. In the absence of consent, students shall use de-identified information only in any discussions about the clinical experience with Institution, its employees, or agents.

5) Complying with COUNTY's dress code and wearing name badges identifying themselves as Student Intern, if specified by COUNTY.

6) Students should be informed and aware of the hazards currently known to be associated with the novel coronavirus referred to as "COVID-19." Students acknowledge and agree to follow all current County health and safety requirements as may be required by local, state and/or federal laws, including the use of Personal Protective Equipment.

7) Insurance requirements. See Section V.

H. Field Experience Plan. Institution shall assist in establishing a plan/learning agreement for the field experience by mutual agreement between the COUNTY's representative and the Institution's Field Faculty representative and the student.

I. Field Conference. Institution may facilitate periodic conferences between appropriate representatives of the Field Faculty and COUNTY to evaluate the field experience program provided under this Agreement.

II. COUNTY RESPONSIBILITIES

A. Field Experience. At the COUNTY's discretion, COUNTY shall accept from Institution the student and shall provide the student with a supervised field experience.

B. COUNTY Designee. COUNTY shall designate a member of its staff to participate with Institution's designee in planning, implementing, and coordinating the Program. COUNTY shall notify the Institution in advance of any change in the COUNTY's personnel appointments that may affect the student field program.

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C. Access to Facilities. COUNTY shall permit students enrolled in the Program access to COUNTY facilities as appropriate and necessary for their Program, provided that the students' presence shall not interfere with COUNTY's activities.

D. Records and Evaluations. COUNTY shall maintain complete records and reports on student's performance and provide an evaluation to Institution on forms the Institution shall provide.

E. Withdrawal of Students. COUNTY shall have the right to immediately terminate a student's placement/assignment if student who, in the judgment of the COUNTY, is not participating satisfactorily or refuses to follow the COUNTY's administrative policies, procedures, rules and regulations, including but not limited to inappropriate behavior, dress and/or hygiene, and non-compliance with the use of Personal Protective Equipment, as may be required by health and safety protocols. COUNTY shall immediately notify the student and the Institution by telephone or in person. The student and representative(s) of the Institution may meet the COUNTY to determine whether the student will be reinstated in the internship assignment at the COUNTY, and if so, upon terms and conditions determined by COUNTY to be appropriate.

F. Emergency Health Care/First Aid. COUNTY shall, on any day when a student is receiving training at its facilities, ensure student has access to emergency health care or first aid for accidents occurring in its facilities at Institution and/or student expense.

G. COUNTY's Confidentiality Policies. As trainees, students shall be considered members of COUNTY's "workforce," as that term is defined by the HIPAA regulations at 45 C.F.R. § 160.103, and shall be subject to COUNTY's policies respecting confidentiality of medical information (as defined in Recital D). If Institution suspects a breach of any of these policies, Institution must notify the COUNTY Privacy Officer immediately. Notwithstanding any provision of this Agreement to the contrary, in the event of a breach of this Section, the County of Monterey shall have the right to seek direct damages from the Institution.

III. AFFIRMATIVE ACTION AND NON-DISCRIMINATION

The parties agree that all students receiving field education training pursuant to this Agreement shall be selected without discrimination on account of race, color, religion, national origin, ancestry, disability, marital status, gender, gender identity, sexual orientation, age or veteran status.

IV. STATUS OF STUDENTS

Institution represents that the students enrolled in the Program are in attendance for educational purposes, and such students are not considered employees of Institution or of the COUNTY for any purpose, including, but not limited to, payroll taxes, withholdings, compensation for services, welfare and pension benefits, or workers' compensation insurance. Students are considered members of COUNTY's "workforce" for purposes of Recital D compliance and COUNTY policies and procedures. If the student is a paid employee of the

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COUNTY, the student will be covered under the COUNTY's insurance policies, including Workers' Compensation, to the extent available to other employees.

V. INSURANCE

The Institution and COUNTY mutually agree that each shall provide and maintain commercial general liability insurance acceptable to both parties in the minimum amounts of $1,000,000 per occurrence and $3,000,000 general aggregate. Each shall be responsible for providing the other with a Certificate of Insurance evidencing the required coverage prior to execution of this agreement.

The parties shall each further secure and maintain at all times during the term of this Agreement, at their respective sole expense, professional liability insurance covering themselves and their respective employees. Such coverage provided by the Institution and COUNTY may be afforded via commercial insurance, self-insurance, a captive, or some combination thereof at limits of at least $1,000,000 per claim or occurrence and $3,000,000 in the aggregate.

The Institution shall maintain or shall cause each student to maintain professional liability, public liability, and property damage insurance in the amount of $1,000,000 for any single occurrence and a minimum of $3,000,000 in the aggregate during the trainee's supervised field experience. The Institution shall furnish proof of such insurance coverage prior to execution of this agreement.

In addition, Institution shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

The Institution shall provide commercial general liability and automobile liability Endorsement(s) naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the Institution's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the COUNTY and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Institution's insurance.

Student Automobile liability insurance, students who drive to/from any clinical work location, must provide proof of valid California driver's license for in-state students or other valid state driver's license for out-of-state students and proof of insurance.

Workers' Compensation Insurance, if Institution employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's

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Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

Except for ten (10) days' notice of non-payment, the Institution and the COUNTY will require thirty (30) days written notice if the policy is canceled, non-renewed, or coverage/limits that are reduced or materially altered.

VI. INDEMNIFICATION.

The Institution shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "COUNTY"), its officers, agents, employees, or subcontractors from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Institution and/or its officers, agents, employees, ~~students~~ or subcontractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of the COUNTY and/or its officers, agents, employees and subcontractors. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the COUNTY. ~~The Institution shall reimburse the COUNTY for all costs, attorneys' fees, expenses, and liabilities incurred with respect to any litigation in which the Institution is obligated to indemnify, defend and hold harmless the COUNTY under this Agreement.~~

DS

VII. TERM AND TERMINATION

A. Term. This Agreement shall be effective as of the date first written above and shall remain in effect until June 30, 2027.

B. Renewal. This Agreement may be renewed by mutual agreement.

C. Termination. This Agreement may be terminated at any time by the written agreement or upon thirty (30) days' advance written notice by one party to the other.

VIII. GENERAL PROVISIONS

A. Amendments. In order to ensure compliance with HIPAA, the following provisions of this Agreement shall not be subject to amendment by any means during the term of this Agreement or any extensions: Section I, Paragraph G, subdivisions 4.a), 4.b), and 4.c); Section II, Paragraph G, to the extent it provides that students are members of COUNTY's "workforce" for purposes of HIPAA; Section II, Paragraph E; and Section IV. This Agreement may otherwise be amended at any time by mutual agreement of the parties without additional consideration, provided that before any amendment shall take effect, it shall be reduced to writing and signed by the parties.

B. Assignment. Neither party shall voluntarily or by operation of law, assign or otherwise transfer this Agreement without the other party's prior written consent. Any purported assignment in violation of this paragraph shall be void.

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C. Attorney's Fees. In the event that any action is brought by either party to enforce or interpret the terms of this Agreement, each party shall bear its own attorney's fees and costs.

D. Captions. Captions and headings in this Agreement are solely for the convenience of the parties, are not a part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement or any of its provisions.

E. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

F. Entire Agreement. This Agreement is the entire agreement between the parties. No other agreements, oral or written, have been entered into with respect to the subject matter of this Agreement.

G. Governing Law. The validity, interpretation, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of California.

H. Notices. Notices required under this Agreement shall be sent to the parties by certified or registered mail, return receipt requested, postage prepaid, at the addresses set forth below.

Sonoma State University Judy Vincenti Contracts Analyst, Contracts & Procurement 1801 E Cotati Ave Rohnert Park, CA 94928 (707) 664-4618	County of Monterey, Department of Health Director, Department of Health 1270 Natividad Salinas, CA 93906 Phone: (831) 755- 4500

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IX. EXECUTION

By signing below, each of the following represent that they have authority to execute this Agreement and to bind the party on whose behalf their signature is made.

INSTITUTION

DocuSigned by:
By: Judy Vincent
18746FA086F8407...
Name: Judy Vincent
Title: Contract Analyst
Date: 7/21/2025 | 2:55 PM PDT

COUNTY OF MONTEREY

By: _____
Name:
Title: Director of Health
Date: _____

APPROVED AS TO LEGAL FORM:

DocuSigned by:
By: Stacy Saetta
C0E6E1B09E444A9...
Deputy County Counsel

Date: 7/23/2025 | 10:30 AM PDT

APPROVED AS TO RISK PROVISIONS:

DocuSigned by:
By: David Bolton
B3E7A6BE51DD8446...
Risk Management

Date: 7/23/2025 | 10:33 AM PDT

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EXHIBIT A

The County of Monterey Department of Health (MCH) policies/procedures listed below indicate the pertinence to this specific internship. The County of Monterey Department of Health reserves the right to amend the policies/procedures below and add additions as needed.

The following is a list of activities students must complete to become/remain an Intern:

I. **Pre-Boarding** (After Student is Matched but *Before* Student is Accepted as a MCH Intern)

a. Complete Intern Application
b. Pass Live Scan
c. Provide DMV Printout
d. Provide Driver's License
e. NPI number (for interns who will provide clinical services)

II. **On-Boarding**

a. Health Department Human Resources (HD HR) Orientation – First day of Internship
    i. Review and sign the following policies
        1. Drug Free Workplace
        2. HIV/AIDS
        3. Asbestos Notification
        4. Vehicle Use*
        5. Discrimination and Sexual Harassment
        6. Smoke Free
        7. Information Technology Appropriate Use
        8. Protected Information
    ii. Complete TB Blood Draw
b. By end of first week of Internship review and sign the following policies
    i. Confidentiality*
    ii. Compliance

Items followed by an asterisk * require Interns to take and pass an on-demand course within the first week of their on-boarding.

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Wendy Root Askew, seconded by Supervisor Luis A. Alejo to:

Agreement No.: A-16776

a. Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute an agreement with Pomphrey Consulting, LLC for trauma registrar staffing services at NMC for an amount not to exceed $250,000 with an agreement term retroactive to March 1, 2024 through February 28, 2025.

b. Authorize the Chief Executive Officer for Natividad Medical Center or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than 10% ($25,000) of the original cost of the agreement per each amendment, for total contract liability of ($275,000).

PASSED AND ADOPTED on this 26th day of March 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting March 26, 2024.

Dated: April 2, 2024
File ID: A 24-107
Agenda Item No.: 21

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

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Natividad MEDICAL CENTER

COUNTY OF MONTEREY AGREEMENT FOR SERVICES (MORE THAN $200,000)

This Agreement for Services (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California, for the provision of services for Natividad Medical Center ("COUNTY"), a general acute care teaching hospital wholly owned and operated by the County, and Pomphrey Consulting, LLC (hereinafter "CONTRACTOR", collectively COUNTY and CONTRACTOR are referred to as the "Parties").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED.** COUNTY hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of the Agreement. The services are generally described as follows:
   Trauma Registrar Staffing Services.

2. **PAYMENTS BY COUNTY.** COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by COUNTY to CONTRACTOR under this Agreement shall not exceed the sum of **$** 250,000.

3. **TERM OF AGREEMENT.**

   3.1. The term of this Agreement is from retroactive to March 1, 2024 through February 28, 2025 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and COUNTY and with COUNTY signing last and CONTRACTOR may not commence work before COUNTY signs this Agreement.

   3.2. COUNTY reserves the right to cancel this Agreement, or an extension of this Agreement, without cause, with a thirty (30) day written notice, or with cause immediately.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

   Exhibit A: Scope of Services

   Exhibit B: COUNTY Duties and Responsibilities

   Exhibit C: Compensation

   Exhibit D: Monterey County Travel and Business Expense Reimbursement Policy

   Exhibit E: Business Associate Agreement

   Exhibit F: Business Automobile Liability Insurance Justification

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5. PERFORMANCE STANDARDS.

5.1. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of COUNTY, or immediate family of an employee of COUNTY.

5.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use COUNTY premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provide in this paragraph. COUNTY does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

6.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety (90) days prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (COUNTY) and the CONTRACTOR.

6.3. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement, and then only in accordance with any applicable County policies.

6.4. Invoice amounts shall be billed directly to the ordering department.

6.5. CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. COUNTY shall certify the invoice, either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

7. TERMINATION.

7.1. During the term of this Agreement, COUNTY may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In

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the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.2. COUNTY may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If COUNTY terminates this Agreement for good cause, COUNTY may be relieved of the payment of any consideration to Contractor, and COUNTY may proceed with the work in any manner, which COUNTY deems proper. The cost to COUNTY shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.3 COUNTY's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for COUNTY's purchase of the indicated quantity of services, then COUNTY may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8. INDEMNIFICATION.

8.1 CONTRACTOR shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "COUNTY"), its officers, agents and employees from any and all claims, liability and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of COUNTY. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9. INSURANCE.

9.1 Evidence of Coverage:
Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to Natividad's Contracts Department, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and COUNTY has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

9.2 Qualifying Insurers: All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A-VII,

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according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Natividad's Contracts Department Manager.

9.3 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

☐ Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence. Justification attached as "Exhibit F"

☒ Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, If CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

☐ Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, ***If required*** for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than $1,000,000 per claim and $2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

9.4 Other Requirements:

All insurance required by this Agreement shall be with a company acceptable to COUNTY and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

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Each liability policy shall provide that COUNTY shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of CONTRACTOR's work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by COUNTY and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by CONTRACTOR's insurance.** The required endorsement from for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement from for Automobile Additional Insured Endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by COUNTY, CONTRACTOR shall file certificates of insurance with Natividad's Contracts Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by COUNTY, annual certificates to Natividad's Contracts Department. If the certificate is not received by the expiration date, COUNTY shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles COUNTY, at its sole discretion, to terminate the Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

10.1 Confidentiality. CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from COUNTY or prepared in connection with the performance of this Agreement, unless COUNTY specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to COUNTY any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

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10.2 COUNTY Records. When this Agreement expires or terminates, CONTRACTOR shall return to COUNTY any COUNTY records which CONTRACTOR used or received from COUNTY to perform services under this Agreement.

10.3 Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

10.4 Access to and Audit of Records. COUNTY shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess or $10,000, the parties to this Agreement may be subject, at the request of COUNTY or as part of any audit of COUNTY, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.5 Royalties and Inventions. COUNTY shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of COUNTY.

11. **NON-DISCRIMINATION**. During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT**. If this Agreement has been or will be funded with monies received by COUNTY pursuant to a contract with the state or federal government in which COUNTY is the grantee, CONTRACTOR will comply with all the provisions of said contract and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, COUNTY will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of COUNTY. No offer or obligation of permanent

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employment with COUNTY or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from COUNTY any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold COUNTY and the County of Monterey harmless from any and all liability, which COUNTY may incur because of CONTRACTOR's failure to pay such taxes.

14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to COUNTY and CONTRACTOR's contract administrators at the addresses listed below

NATIVIDAD MEDICAL CENTER:	**CONTRACTOR:**
Natividad Medical Center Attn: Contracts Division Natividad Medical Center 1441Constitution Blvd Salinas, CA. 93906 FAX: 831-757-2592	Name: Pomphrey Consulting LLC Attn: Michelle Pomphrey Address: 2683 Spring Hill Rd City, State, Zip: Staunton. VA 24401 FAX: 540-448-2770 Email: michelle.pomphrey@pomphreyconsulting.com

15. MISCELLANEOUS PROVISIONS.

15.1 Conflict of Interest: CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

15.2 Amendment: This Agreement may be amended or modified only by an instrument in writing signed by COUNTY and the CONTRACTOR.

15.3 Waiver: Any waiver of any terms and conditions of this Agreement must be in writing and signed by COUNTY and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

15.4 Contractor: The term "Contractor" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.

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15.5 Disputes: CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.6 Assignment and Subcontracting: CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of COUNTY. None of the services covered by this Agreement shall be subcontracted without the prior written approval of COUNTY. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

15.7 Successors and Assigns: This Agreement and the rights, privileges, duties, and obligations of COUNTY and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

15.8 Compliance with Applicable Law: The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

15.9 Headings: The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

15.10 Time is of the Essence: Time is of the essence in each and all of the provisions of this Agreement

15.11 Governing Law: This Agreement shall be governed by and interpreted under the laws of the State of California.

15.12 Non-exclusive Agreement: This Agreement is non-exclusive and each of COUNTY and CONTRACTOR expressly reserves the right to contract with other entities for the same or similar services.

15.13 Construction of Agreement: COUNTY and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

15.14 Counterparts: This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

15.15 Integration: This Agreement, including the exhibits, represents the entire Agreement between COUNTY and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations representations, or agreements, either written or oral, between COUNTY and CONTRACTOR as of the effective date of this Agreement, which is the date that COUNTY signs the Agreement.

15.16 Interpretation of Conflicting Provisions: In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

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COUNTY OF MONTEREY, on behalf of NATIVIDAD MEDICAL CENTER

By: DocuSigned by: Charles R. Harris
4E1F837D2045481...
Charles R. Harris, CEO Natividad

Date: 4/9/2024 | 9:29 AM PDT

APPROVED AS TO LEGAL PROVISIONS

By: DocuSigned by: Stacy Saetta
C0ECE1B09F444A9...
Monterey County Deputy County Counsel

Date: 2/27/2024 | 8:37 AM PST

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Jennifer Forsyth
4E7E6578754545E...
Monterey County Deputy Auditor/Controller

Date: 2/27/2024 | 9:29 AM PST

CONTRACTOR

Pomphrey Consulting, LLC
Contrctor's Business Name*** (see instructions)

By: DocuSigned by: Michelle Pomphrey
Signature of Chair, President, or Vice-President

Michelle Pomphrey, CEO
Name and Title

Date: 2/26/2024 | 5:07 PM PST

By: DocuSigned by: John G Buck
5F542A85E4B5457...
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

John G Buck, Vice President of Operations
Name and Title

Date: 2/26/2024 | 4:31 PM PST

***Instructions:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Exhibit A:

Scope of Services

I. Description of All Services to be Rendered by CONTRACTOR:

The broad scope of services for this contract is data abstraction, data entry, and data validation. Data abstraction would consist of remote computer access to all sections of the Natividad Medical Center (NMC) computer system(s) required for complete data acquisition. This would include NMC'S Meditech Electronic Medical Record (EMR).

II. CONTRACTOR Obligations:

a) CONTRACTOR shall abstract and enter the data information into the ESO TraumaOne (TRAUMA REGISTRY SOFTWARE) which is currently installed at NMC. Each data element will be abstracted in accordance with the American College of Surgeons (ACS) National Trauma Data Bank (NTDB) Data Definitions for the current admission year. The NTDB data dictionary can be found at https://www.facs.org/quality- programs/trauma/tqp/center-programs/ntdb/ntds/data-dictionary. This document contains all the national data elements, their definitions, and abstraction guidelines. The last section of this document details the additional data elements required of hospitals participating in the Trauma Quality Improvement Program (TQIP). It is our understanding that NMC is a TQIP participating facility.

b) All data elements above and beyond the NTDB and TQIP fields will be abstracted in accordance with NMC's internal data dictionary or State/Corporate Data Dictionary. These documents should contain the data element's names, definitions, patient population to be completed on, as well as the primary and secondary EMR data source. This ensures CONTRACTOR abstracts all remaining data elements in the exact format as NMC staff for consistency of reports. If no such NMC document exists, CONTRACTOR will abstract non-NTDB/TQIP fields in accordance to NMC orientation recording. CONTRACTOR will identify appropriate data locations if no specific instructions are provided.

c) The scope of services CONTRACTOR will provide shall comply with all the above reference data elements and national definitions. All charts require hand coding/assignment of all injury codes using the Abbreviated Injury Scale (AIS 05) for Injury Severity Score (ISS) calculations by the CONTRACTOR. Accurate AIS codes ensure accurate ISS reflections, and thus accurate M, Z, & W statistics for NMC. These injury codes will be entered in the REGISTRY and will map to a corresponding ICD-10-CM injury code. The ICD-10-CM injury codes will be validated using medical record codes, as well as CONTRACTOR coding/validation. ICD-10-CM External Cause codes and ICD-10-PCS procedure codes will be assigned by medical records coding and validated by CONTRACTOR for completeness and accuracy.

d) PROCESS:

1. Establish remote access: **See "Exhibit B: COUNTY Duties and Responsibilities"** for full details.
2. Orientation Recording:
   A. REGISTRY:
      1. CONTRACTOR shall record these sessions in our Adobe Connect platform. This is a username and password protected secure system.
      2. NMC will start a "New Patient" in REGISTRY so that no individual patient data will be seen or recorded. CONTRACTOR will do short recordings for each individual data screen in NMC REGISTRY. In each recording, NMC will verbally explain all Non - NTDB/TQIP fields. This will include special instructions related

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to specific patient populations, where to find the information in EMR including primary and secondary sources.

3. All recordings will be available for the NMC to ensure all employees, present or future, are oriented and trained in the same manner. The recordings are used as references during the project and referred to for clarification when questions arise.

B. EMR-NMC will do a short recording with CONTRACTOR to identify the following:

1. How to recall a patient and ensure correct episode of care.

2. Main Sections of EMR

   a. ED documents
   b. OR
   c. Consults
   d. Progress Notes
   e. Outside Hospital Documents
   f. Pre-hospital Documents
   g. Radiology
   h. Labs
   i. Medications – for TQIP DVT Prophylaxis
   j. Orders – Admit/DC.
   k. Other specific places to identify ICU Days, Vent Days, and other NMC specific data elements.

3. All recordings will be available for NMC to ensure all employees, present or future, are oriented and trained in the same manner. The recordings are used as references during the project and referred to for clarification when questions arise.

C. PATIENT LIST- See "**Exhibit B: NMC DUTIES AND RESPONSIBILITIES**" for full details.

3. CONTRACTOR shall identify a Project Lead or Team Lead. This individual will be the main contact for NMC.
   i. NMC will assign CONTRACTOR Lead two (2) complex charts. CONTRACTOR Lead will complete, and NMC will validate.
   ii. NMC will provide CONTRACTOR Lead feedback on any issues identified, related to data definitions, EMR data locations or chart completeness, or closure. NMC and CONTRACTOR Lead will repeat this process until NMC is confident and Inter-Rater Reliability (IRR) score for CONTRACTOR Lead is above 95%.
4. CONTRACTOR Lead will then begin assigning charts to CONTRACTOR team and repeating the same process as outlined in #3 above for each CONTRACTOR team member. Project Lead will complete validation on CONTRACTOR team.
5. Once CONTRACTOR team is working independently, a standard 5% of their charts will be used for on- going data validation.

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6. All data validation will be entered into the Buck Data Validation System (BDVS) which will be provided to NMC at no charge. IRR scores per CONTRACTOR team member will be available to NMC as well as productivity measures for project monitoring. The standard data elements validated for each CONTRACTOR team member are:
    i. Trauma Registry Number
    ii. Date of Birth/Age
    iii. Mechanism of Injury (ICD-10-CM external cause code OR Blunt vs. Penetrating if not mapped)
    iv. All NMC initial Emergency Department/NMC vital signs needed to calculate the Revised Trauma Score (RTS)
    v. All injuries thus ensuring a valid ISS
    vi. ICU Length of Stay
    vii. Hospital Length of Stay
    viii. Comorbid Conditions as defined by NTDB/TQIP
    ix. Complications as defined by NTDB/TQIP

These elements are chosen as they have a direct impact on national benchmarking reports. The BDVS system will also be available for NMC staff to monitor their productivity and data validation. These results will be integrated into the NMC data validation reports.

7. CONTRACTOR Lead will provide weekly update reports as to the status of the project which will act as the main communication between NMC and CONTRACTOR.

8. CONTRACTOR staff will observe the following holidays:
    A. New Year's Day
    B. Memorial Day
    C. July 4th
    D. Labor Day
    E. Thanksgiving Day
    F. Christmas Day

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Exhibit B:
COUNTY DUTIES AND RESPONSIBILITIES

I. COUNTY Obligations:

The scope of work for COUNTY is based on a remote access structure. As such, the COUNTY does not have to provide the following:

- Office space or furniture
- Computers or printers
- Office supplies (paper, pens, etc.)
- Insurance
- Benefits

The COUNTY/NMC will be responsible for the following:

1) Compensation as described in the agreement and set forth in **Exhibit C "COMPENSATION".**

2) Providing CONTRACTOR with a Business Associates Agreement (BAA) attached hereto as **"Exhibit E: Business Associate Agreement".**

3) Information Technology (IT) support for remote access, logins, password changes, and resolution of all technical issues that prevent CONTRACTOR from performing the services outlined in this agreement. NMC shall provide one high level IT manager/supervisor who is assigned to CONTRACTOR. The name and contact information are to be provided by NMC at the signing of contract. NMC IT manager will work directly with CONTRACTOR. IT manager will establish all CONTRACTOR remote staff access. NMC IT manager/supervisor is responsible for communicating to CONTRACTOR all steps/processes in detail to establish remote access.

4) Start date of Agreement will be effective per **section 3.1 "TERM OF AGREEMENT"**. NMC IT manager/supervisor will then provide CONTRACTOR staff with login ID and successful computer access as defined in **"Exhibit A: Scope of Services"**. Successful access is defined as the ability to remotely access all computer systems identified, including the same pathways within them as identified in NMC orientation for CONTRACTOR. If successful access isn't established within 14 business days of CONTRACTORS completion of NMC required IT forms, CONTRACTOR will notify NMC contact in writing of such delays and shall allow NMC to rectify issue within 30 days of written notification. The official start date for CONTRACTOR deliverables is date of successful access to all computer systems for all CONTRACTOR staff. This date will be noted by NMC and CONTRACTOR in writing.

5) Site Visit (if necessary): CONTRACTOR shall send Remote Staff to NMC for the ACS Consultative visit and/or ACS Verification Review upon NMC Advanced Notice Request. All travel, lodging, and worked hours cost will be incurred by NMC and shall adhere to the County of Monterey's Travel and Reimbursement Policy as defined in "**Exhibit D- Monterey County Travel and Business Expense Reimbursement Policy**".

6) Trauma Verification Consulting Services (if applicable): If NMC does not have a successful site survey and fail the verification, and decides not to become a trauma center, NMC shall provide notice of termination pursuant to **section 7.1 "TERMINATION"** of the Agreement.

7) Provide CONTRACTOR with hospital/state inclusion criteria document and hospital/state/corporate data dictionary.

8) NMC will grant CONTRACTOR project manager/team lead, report writer privileges in the REGISTRY. CONTRACTOR project manager/team lead will close each back-log month or abstraction time period assigned to CONTRACTOR. This includes a complete validation report, correction of all Level 1 and 2 errors, and review of all Level 3 and 4 warning errors with corrections if necessary.

9) NMC will identify one administrative level point of contact who will assist CONTRACTOR if issues arise such as, but not limited to, computer access or contractual addendums, etc.

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10) NMC will provide CONTRACTOR with a patient list of outstanding/concurrent patients needing data abstraction/entry. This list will be in Microsoft Excel format and located on NMC shared server. CONTRACTOR remote staff will access NMC system and sign out charts. Once patients are complete, the charts will be marked as complete and additional charts/patients will be signed out by CONTRACTOR staff. This process reduces the chance of duplication of work and allows NMC transparency in work progression. The fields for the Excel file will include: Trauma Registry Number, Account Number, Medical Record Number, Patient Last Name, Admission Date, and Hospital LOS. The patient list always remains on NMC server, ensuring all personal health information (PHI) is protected by NMC firewalls.

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Exhibit C:
COMPENSATION

I. Pricing/ Fees:

Cost Calculations:
DATA ABSTRACTION COST: Based on backlog survey and number of charts in backlog. Additional DATA VALIDATION = 5% of Backlogged Chart Assignment multiplied by Data Validation Hourly Rate (abstraction rate per hour)

COST BREAKDOWN ESTIMATES (Data Abstraction):

	Rate	Weekly Hours	# of weeks	Monthly Fee	Total
1st Full Time Employee: Trauma Registry Services for 1 year	$59.00/ hr.	40 hrs. per week	52 weeks		$122,720
2nd Full Time Employee: Trauma Registry Services for 1 year	$59.00/ hr.	40 hrs. per week	52 weeks		$122,720
Professional Set Up Fee (ONE TIME FEE)	N/A	N/A	N/A		$ 2,000
Estimated Administrative Fee:	2.5% per monthly billing cycle of actual hours worked	80 hrs. per week	N/A	$472.00	$5,664.00
				TOTAL:	**$253,104**

- Post Backlog data abstraction terms, additional PRN term staffing is agreed @ $59.00 per hour for the required work hours.
- Additional PRN staffing length of terms will not exceed 1 year and will require an instrument in writing signed by COUNTY and CONTRACTOR as stated in section 15.2 "Amendment" of the Agreement.

II. NMC shall receive the following services from CONTRACTOR at no additional cost:

1. One (1) seat in our monthly educational webinar series for trauma registrars for 1 month. (Valued at $50.)
2. One (1) seat in our monthly educational webinar series for trauma program managers for 1 months. (Valued at $50.)
3. One (1) seat in our Trauma Program Managers Mentorship Program, Trauma Registrar Mentorship, Trauma Advanced Registry Prep (TARP) or Trauma Data Analytics @ 50% off. (This is a $250.00 - $750.00 value.)

III. Additional Compensation Information:

A. IT fee

Successful IT set-up for all of CONTRACTOR remote staff as defined in "**Exhibit B: COUNTY Duties and Responsibilities**" will be billed at a rate of the agreed abstraction rate per hour.

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B. Data Abstraction/Data Entry/Data Validation Services

Data validation is a Type II criterion deficiency (CD15-10) per the ACS Resources for Optimal Care of the Injured Patient 2014 manual. ACS recommends a 5-10 % data validation platform. CONTRACTOR will perform data validation at a rate of 5% per abstractor. Data validation results and summary reports will be provided to NMC thru the BDVS system. Data Validation is a subspecialty that reviews and reports Inter-Rater Reliability (IRR) of CONTRACTOR staff. Hours during this period are billed at abstraction rate per hour. CONTRACTOR can perform data validation for NMC staff if requested at abstraction rate per hour.

C. NMC Down Time

Downtime is defined as any time in which CONTRACTOR cannot perform their duties as a direct result of: REGISTRY updates (schedule or non-schedule), or NMC computer system issues (such as server, password resets, other outages, etc.) which occur during normal business working hours may be billed at $30/person per hour. These are issues that arise solely due to NMC events. Team lead will document this and notify the Trauma Program Manager via email. (Normal business working hours are defined as Monday – Friday 8:00 am – 5:00 pm EST.)

D. Project Team Meetings

Project Team Meetings are scheduled weekly by CONTRACTOR to communicate with CONTRACTOR team, feedback from NMC, Inter-Rater Reliability (IRR), answer questions, and clarify processes. NMC is invited to participate in these meetings. Week three (3) of the project Team Meetings are moved to every 2 weeks. Project Team Meeting hours are billed at abstraction rate per hour per CONTRACTOR team member.

E. Miscellaneous Fees

Should NMC require as a condition of this Agreement that CONTRACTOR, its employees or agents be vaccinated, drug screened, background checked, have a national clinical account, vendor credentialing fees, or any other similar obligations; COUNTY shall compensate CONTRACTOR for CONTRACTOR'S actual costs incurred in complying with the NMC's requirements. This will be a separate line item on NMC invoice.

F. Administrative Fees

Monthly billing will include a 2.5% Administrative Fee of actual hours worked. Administrative Fee covers opening and maintaining Accounting & Information Technology Support.

G. County and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the ***Monterey County Travel and Business Expense Reimbursement Policy***. A copy of the policy is available online at https://www.co.monterey.ca.us/government/departments-a-h/auditor-controller/policies-and-procedures To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

H. CONTRACTOR warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

I. Payment may be based upon satisfactory acceptance of each deliverable, payment after completion of each major part of the Agreement, payment at conclusion of the Agreement, etc.

J. COUNTY may, in its sole discretion, terminate the contract or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

K. No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by County.

To ensure no break in coverage for vacation, injury, illness, etc. CONTRACTOR may assign multiple team members to this project. Federal Holidays and Vacation time can affect weekly hours provided. Notification will be provided to NMC by CONTRACTOR once Vacation Requests have been received. Coverage may be utilized to ensure full contracted hours if requested by NMC. All Vacation and Holiday hours will NOT be incurred by NMC, CONTRACTOR is obligated for these hours.

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Exhibit D:
Monterey County Travel and Business Expense Reimbursement Policy

TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT POLICY

Revised December 11, 2012

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I. PURPOSE

The purpose of this policy is to establish uniform travel and business expense reimbursement policies, rules and claim procedures for persons authorized to conduct County business.

II. SCOPE

The County travel and business expense reimbursement policy applies to all County employees, members of legislative bodies established by the Board (salaried or not), non-County employees (such as contractors who receive travel and/or business expense reimbursements) and volunteers traveling on County business.

III. DEFINITIONS

Unless the context otherwise requires, the definitions contained in this part govern the construction of this policy. They do not necessarily apply in other County contexts.

A. Accountable Expense Reimbursement Plan

Reimbursements of travel and other business expenses to a County employee, contractor or volunteer will be considered to be made under an "Accountable Expense Reimbursement Plan" if the following three requirements are met:

- The person substantiates his or her expenses by submitting an expense report with
  1) the amount of the expenditure,
  2) the time and place of the travel or business entertainment,
  3) the business purpose of the expenditure, and
  4) the names and business relationship of any persons entertained.
- The person documents the expenses with supporting receipts, paid bills, etc. within 60 days after the expense is paid or incurred, and
- Excess advances, if any, are repaid to the County within 120 days after the expense is paid or incurred.

"County" means the County of Monterey.

B. County Business

"County business" means the activity directly related to the ordinary, necessary and/or required business functions of the County of Monterey ("County"). It does not include travel or expenses related to an employee's participation in the County's Educational Assistance Program or commuting expenses (a non-reimbursable expense).

C. County Employee

"County employee" means any County officer or employee, whether elected or appointed, filling a budgeted position approved by the Board of Supervisors.

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Independent contractors and their employees are not County employees.

D. County Traveler

"County traveler" means any County employee, authorized non-County employee (such as a contractor) or volunteer traveling on County business. Agency temporary employees are not covered by this policy and are not reimbursable for travel.

E. County Volunteer

"County volunteer" means a person, other than a County employee, who performs volunteer work authorized by a department or the Board of Supervisors for the County, such as a department volunteer, a commissioner or a member of an interview panel. It does not include agency temps, inmates, wards or probationers working for the County.

F. Home

"Home" means the actual dwelling place of the County traveler without regard to any other legal or mailing address.

G. Main or Regular Place of Work

"Main or regular place of work" means the principal place of business for the County employee or the principal location to which the County volunteer/contractor is assigned to work for the County. This may be the place at which s/he spends the largest portion of his/her regular County workday or working time or, in the case of field workers, the assigned location/headquarters to which s/he returns upon completion of regular or special assignments.

H. Meals

Meals that are 1) directly related or associated with bona fide County business matters and 2) approved for reimbursement by a member of the Board of Supervisors or a department head (or his or her designee) will be considered a reimbursable County business expense, if incurred in connection with out-of-County business travel or while conducting in-County business. Also, reimbursement for the provision of in-kind meals to employees on the business premises of the County will only be allowed if there is a substantial non-compensatory business reason for providing such meals to employees.

I. Temporary Work Location

"Temporary work location" means the place where the County employee, volunteer or contractor is assigned on an irregular or short-term basis. If an employee is assigned to a work location for no more than 35 work days during a calendar year, then the location is considered temporary. Attending conferences, meeting or training sessions away from the main or regular place of work by County employees or volunteers, or field

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workers conducting fieldwork at off-site locations, does not normally constitute assignment to another site. If the employee is assigned for more than 35 work days during the calendar year, the new location has become the main or regular place of work.

J. Vehicle

"Vehicle" means a motor vehicle, which can be legally operated on public highways.

IV. AUTHORIZATION TO TRAVEL

A. General Conditions

1. Travel will be authorized only when the travel is necessary and in the best interest of the County.

2. Advance authorization is required for all County travel, as specified in B & C.

3. Advance written authorization from the County Administrative Officer is required for all County travel by County volunteers, except as follows:

   a) Travel by appointed members of County boards, commissions, or advisory committees to and from the official meetings of their respective boards.

   b) Travel to and from the County for members of personnel interview panels, subject to authorization by the Human Resources Department.

   c) Travel to and from meetings, conferences and training covered by the County MHSA plan, subject to authorization by the Behavioral Health Program Manager or designee.

B. In-County Travel

County employees are authorized to travel within the County when said travel is required by the department and is considered a part of the routine, day-to-day official duties of the employee as defined and authorized by the department head or his/her designee. All other in-County travel requires advance authorization by the department head or his/her designee.

C. Out-of-County Travel

1. All travel outside of the County, but within the State of California, requires advance authorization by the department head, or his/her designee. Travel by immediate staff of a member of the Board of Supervisors requires the advance authorization of the respective Board member.

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2. All travel outside of the State of California requires advance written authorization by the department head, or his/her designee. Travel by immediate staff of a member of the Board of Supervisors requires the advance authorization of the respective Board member.

3. Authorization for out-of-state travel by current members of the Board of Supervisors is subject to the guidelines established by the Board.

D. Travel Requests

Travel requests that require department head authorization shall be submitted to the department head pursuant to department policy. If the traveler is requesting a travel advance, an approved "County of Monterey Travel Request" form (usually in the form of a "white claim" or "GAX"), accompanied by all documentation relative to the request, shall be forwarded to the Auditor-Controller.

V. TRAVEL EXPENSES

A. General Conditions

1. County travelers are entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals for authorized travel, subject to the conditions set forth in this Travel and Business Expense Reimbursement Policy ("Policy"), whenever the expenses are incurred as part of his/her official duties and authorized because the County traveler is required to work, attend a school, training, meeting or convention overnight at a location sufficiently distant from main or regular place of work to qualify under this policy for meal per diem and overnight lodging.

2. Notwithstanding Section 1 above, claims shall be paid subject to the rules set forth in this Policy and statutory law. Eligibility to submit a claim does not automatically entitle the claimant to reimbursement for any and all expenses.

3. County travelers receiving reimbursement from an outside source for travel on County time shall forward said reimbursement to the County Auditor-Controller for handling and deposit if the traveler intends to submit an expense claim to the County or use County resources to travel. Said travelers shall then be entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals, subject to the conditions set forth in this travel policy.

4. Arrangements for transportation, lodging or registration fees that have cancellation or change penalties shall be carefully monitored by the department. If cancellation/change occurs due to direction by the County traveler's department head, or his/her designee, or the County Administrative Officer, the County department will cover the penalty cost. If the cancellation/change occurs due to a traveler's personal request or obligations, the traveler will be required to pay the

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penalty. Exceptions shall be made when a traveler is unable to travel because of hospitalization, serious sickness or death of self or an immediate family member or when the department head certifies that the reason for the employee's absence was legitimate and authorized.

B. Transportation Expenses

1. General Conditions

a) Transportation expenses are the direct costs related to movement of the County traveler from authorized point of departure to destination of travel and back to the authorized point of return.

b) All transportation expenses incurred shall be based upon the most efficient, direct, and economical mode of transportation required by the occasion.

c) Whenever a time frame is established as criteria for eligibility for claiming, such as the requirements set forth for meals in Section V, subsection C. 1. d., estimated travel time shall be based upon legal vehicle speed limits, volume of traffic, and weather conditions in effect at the time of travel.

2. Vehicle Transportation

Vehicle use (both County-owned and private) by authorized County travelers during the conduct of official County business is subject to the County Vehicle Use Policy.

a) Private Vehicle

(1) Travel by private vehicle will be reimbursed at the IRS rate for business use of a personal vehicle in effect in the County at the time of travel.

(2) Authorized County travelers who travel in a vehicle other than their own may not claim mileage for business use of a private vehicle but may claim reimbursement of actual fuel expenses necessary for the trip and expended by the traveler. Receipts are required and should be claimed by the employee actually paying the expense.

(3) Authorized County travelers may not claim mileage for business use of a private vehicle in the following instances:

(a) when the County traveler is riding with someone who will be claiming reimbursement for the vehicle's use from the County or another source;

(b) when the County traveler is traveling in a County or other government

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agency vehicle;

(c) when the County traveler is traveling in a rented vehicle (paid by County);

(d) when the County traveler has been assigned a County Vehicle for home retention, is receiving an allowance or lump sum for mileage, unless specifically provided for in the terms of their agreement or contract with the County or by Board resolution.

(4) County employee mileage to the regular or main place of work from home, and back, is considered commuting and may not be claimed.

(5) County employee mileage to the temporary work location from home, and back, is considered commuting and may not be claimed except in the following cases:

(a) if the County employee is required to report to the regular or main place of work before reporting to the temporary work location, s/he is eligible for mileage from the regular or main place of work to the temporary work location;

(b) if the County employee is required to report to the regular or main place of work after working at the temporary work location and before going home, s/he is eligible for mileage from the temporary work location to the regular or main place of work.

(6) Mileage in conjunction with authorized County travel to and from a school, training, convention or meeting shall be based on the distance to the destination from the traveler's home or the regular or main place of work, whichever is less, except in the following cases:

(a) if the traveler is required to report to his/her work location before leaving, s/he is eligible for mileage to the school, training, convention/meeting from the work location.

(b) if the traveler is required to report to his/her work location before returning home, s/he is eligible for mileage based on the distance from the school, training, convention/meeting to the work location.

(7) Appointed volunteer members of County boards, commissions, or advisory committees may claim mileage to the official meetings of their respective boards from home, and back.

(8) Members of personnel interview panels may claim mileage to the panel location from their regular or main place of work, and back.

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(9) When two or more County travelers from the same department are traveling to the same site by vehicle, they should use only as many vehicles as are required to accommodate the number of travelers and business needs of the County. If a County traveler chooses to use a separate private vehicle because of personal preferences or obligations, h/she shall not be eligible for mileage or fuel reimbursement for the travel unless the department head determines that reimbursement is appropriate and justified.

(10) If a County traveler chooses to use a private vehicle instead of an alternative mode of transportation chosen by the department head because of personal preferences or obligations, his/her mileage reimbursement shall not exceed the cost of using the alternative mode of transportation unless the department head determines that the additional reimbursement is appropriate and justified.

b) County Vehicle Transportation

(1) County travelers using a County vehicle for traveling shall not be eligible for reimbursement for mileage.

(2) County travelers required to fuel a County vehicle at their own expense should claim the actual fuel costs expended by them. Receipts must accompany the claim. Vehicle license number and the odometer reading should be written on the receipts.

(3) If the County vehicle experiences mechanical failure, the County traveler shall follow the rules set forth in the "Mechanical Failure" section of the "Vehicle Operator's Handbook" located in the glove compartment of each County vehicle.

c) Rental Vehicle Transportation

(1) Vehicles may be rented for transportation at the destination point when the County traveler travels to the destination via commercial common carrier and the cost of the rental will be less than the charge for shuttle or taxi service to and from the carrier termination point to the function or hotel accommodations.

(2) Vehicles may be rented for transportation to the destination point when the cost of the rental will be less than other reasonable and available modes of transportation.

(3) If more than one County traveler from the same department is traveling to the same function, only one rental vehicle may be claimed and then only if

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it is available for use by all of the County travelers.

(4) The County traveler shall choose the least expensive size and mileage limits appropriate to the use required. Rental expenses for luxury cars, motorcycles and recreational vehicles may not be claimed.

(5) Rental cars shall be refueled prior to return to the rental agency to reduce cost to the County. Rental cars should be returned to the renting location and on time to avoid additional charges.

(6) When traveling domestically the County traveler shall waive additional vehicle insurance (except for additional driver and coverage for drivers under 25 years of age), provided that the employee has his/her own vehicle insurance coverage. When traveling internationally additional insurance should be accepted if the traveler lacks other similar coverage.

(7) An original car rental receipt showing the number of days and type of vehicle rented is required for vehicle rental claims. A copy of the receipt or a credit card receipt alone is insufficient.

d) Commercial Carrier Transportation

(1) County travelers shall seek and attempt to use the lowest rates available for the type of commercial carrier service being utilized. Whenever possible, travelers should take advantage of flight arrangements that minimize County cost (for example, purchasing a round trip ticket may be less expensive than two one-way tickets). Reservations should be made as far in advance as possible to take advantage of available discounts and special offers. Travel agents that have added ticket handling charges should be avoided.

(2) Claims for travel via commercial carrier shall be limited to the cost of travel at economy rates for the same day and time of travel or actual cost, whichever is less. County travelers may upgrade tickets, provided that the traveler and not the County pay for the difference in cost for such upgrade. The County will not reimburse any type of travel insurance unless the Department Head requests the traveler to purchase cancellation coverage. Reasonable baggage charges, if imposed by the airline, on the first checked bag are reimbursable.

(3) Claims for commercial carrier tickets shall be substantiated by an original ticket document (such as an e-ticket or passenger receipt ticket copy) showing the price, date, date/time of travel and class of travel. A copy of the credit card receipt or statement from a travel agency alone is insufficient.

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(4) County business traveler may retain frequent flyer/hotel rewards and similar program benefits. However, participation in these programs must not influence flight/hotel/etc. selection, which would result in incremental cost to the County beyond the lowest available airfare/hotel cost unless the difference is paid by the traveler. Free tickets or cash allowances for volunteering to be denied timely boarding may be retained by the traveler but no additional cost to the County or interruption of County work is allowed and any additional time required to complete the trip is to be personal time.

(5) Should a Saturday night stay reduce the cost to the County of a ticket more than the total of any additional hotel/meal/parking cost, the costs to do so are reimbursable to the traveler but should be well-documented with a clear savings to the County.

e) Private Aircraft Transportation

(1) Traveling by private aircraft which is flown by a County employee may be authorized if it will be the most efficient means of travel and the flight is incidental to the purpose of the County travel. Said use shall require the advance written approval of the County Administrative Officer. If approved, the following must be provided to the Auditor-Controller's Office in advance of the travel:

(a) a copy of the pilot's Federal Aviation Administration (FAA) pilot's certificate and instrument rating for the category and class of aircraft to be flown and the type of flying to be performed;

(b) a copy of the pilot's current medical certificate;

(c) a copy of the FAA Pilot Proficiency Award Program certificate issued to the pilot within the twelve months prior to the flight;

(d) a copy of the pilot's flight log showing a minimum of 250 hours of flight time within the twelve months prior to the flight;

(e) a certificate of public liability and property damage insurance of not less than $1,000,000 naming the County as an additional insured.

(2) Traveling by private aircraft, which is flown by a non-County employee, except for flights conducted by members of the Sheriff's Air Squadron in the performance of their official duties, is normally prohibited.

(3) County travelers who operate a private aircraft in connection with approved County travel may be reimbursed the actual cost paid by the

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traveler for fuel used by the aircraft on the trip or the County's mileage rate for each air mile at the travelers option.

f) Other Transportation Expenses

(1) The following necessary transportation expenses may be claimed at actual cost (receipt required) when directly related to transporting the County traveler to and from the business destination point:

(a) taxi, shuttle, or public transit fares;

(b) parking fees (airport long-term parking is required for travel exceeding 24 hours);

(c) bridge, road or ferry tolls;

(d) other actual transportation expenses determined to be reasonable and necessary by the department head and the Auditor-Controller.

(2) The following transportation expenses may not be claimed:

(a) traffic and parking violations;

(b) emergency repairs or non-emergency repairs on non-County vehicles;

(c) personal travel while at an out-of-County location;

(d) other actual transportation expenses determined to be unreasonable or unnecessary by the department head or the Auditor-Controller.

C. Meal Expenses

1. Eligibility for Meals

a) County employees, contractors and volunteers may be reimbursed for in-County meal costs that are 1) ordinary (not extravagant) and necessary, 2) directly related or associated with bona fide County business matters and 3) approved by a member of the Board of Supervisors or a department head (or his or her designee). County business discussions associated with a meal must be conducted in a "clear business setting".

b) County travelers involved with in-County travel that does not require an overnight stay away from their home are not eligible to claim for meals taken outside the County, unless the requirements of paragraph a) above are met, or unless provided for in a Board of Supervisor-approved written County policy.

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c) County travelers on out-of-County business travel that requires an overnight stay away from their home are eligible to claim for meals taken out-of-County.

d) County travelers are eligible to claim the meal reimbursements noted below for travel requiring overnight lodging if the total travel time (work time, plus the lunch period plus round-trip travel time) is estimated to equal or exceed 12 hours.

(1) Breakfast may be claimed if the County traveler must reasonably be away from home because of County business travel at or before 7:00 a.m.

(2) Lunch may be claimed if the County traveler must reasonably be away from home because of County business travel at or before Noon.

(3) Dinner may be claimed if the County traveler must reasonably be away from home because of County business travel at 7:00 p.m. or after.

e) Snacks are a personal expense, not reimbursable.

f) Claims for meals purchased by a County employee or volunteer on behalf of federal, state or local public officials or employees is prohibited, including any other Monterey County employees, unless provided for under other Board of Supervisor approved written County policies.

g) County travelers are not eligible to claim meals or other expenses for those persons who are not otherwise eligible to file a claim themselves for County reimbursement.

h) County travelers are not eligible to keep or claim per diem allowances for anyone other than themselves.

2. Meal Claims

a) The County maximum full day meal and incidental expenses rate shall be equal to the maximum federal per diem meal and incidental expenses (M&IE) rate established by the GSA. Said maximums include taxes and gratuities.

b) Meal expense amounts shall be calculated by the Auditor-Controller for first and last partial days of travel based on the maximum federal per diem meal rate for the appropriate meal(s).

c) Claims for out-of-County meals taken in conjunction with travel that includes an overnight stay away from the traveler's home shall be reimbursed in the form of a "per diem allowance", which means the traveler is eligible to be reimbursed at the maximum rate allowed and receipts are not required (except for Board of

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Supervisor Members). Partial days shall be reimbursed at the appropriate meal rate.

d) Allowable meal costs may only exceed the prescribed per diem rates if the meal is being served at a conference or workshop and the costs of the speaker, conference, and/or registration are included in the price. The agenda/brochure or other documentation describing the event and the price must accompany the claim to the Auditor-Controller's Office.

e) A County traveler may not claim a per diem allowance or reimbursement for any meal which is provided, or otherwise available, to the County traveler with the lodging or function, whether or not there is an actual charge for the meal. For example, if lunch is provided at the function or breakfast is included in the cost of lodging, the traveler may not claim a per diem allowance or request reimbursement for eating elsewhere. For purposes of this section, continental breakfast and meals provided during airline or other commercial carrier travel do not constitute provided meals and do not need to be deducted from the per diem allowance. A County traveler may not claim a per diem allowance for a meal that was paid for by someone else.

f) If a breakfast is included in the cost of lodging, the traveler may not claim for a breakfast meal; however, s/he may apply the next day's breakfast allowance amount towards the maximum lodging amount. For example, if the maximum lodging amount is $79.00 and the breakfast allowance is $8.00, the employee may claim up to a maximum of $87.00 for lodging which includes a continental breakfast. (For purposes of this section, continental breakfast does not constitute a provided breakfast meal.)

g) Claiming for alcoholic beverage expenses are prohibited in all cases.

h) As required by California Government Code 53232.2 Board of Supervisors members must provide receipts for all meals and will be reimbursed at the lower of the appropriate per diem amount or the actual expense.

D. Lodging Expenses

1. Eligibility for Lodging

a) County travelers are not eligible to claim for lodging for in-County functions.

b) For out-of-County business that is conducted on one business day, if the County traveler's actual time for the day is estimated to equal or exceed 12 hours (including work time, the lunch period and round-trip travel time), then the County traveler will have the option of securing one night's lodging at either the

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front-end or back-end of the trip. Illustration: A member of the County Board of Supervisors who resides in Monterey County is required to attend a one-day business meeting in Sacramento. The Board member estimates that his total time for the day without obtaining lodging would be 14 hours (8 hours of meetings, 1 hour for lunch and 5 hours for round-trip travel). The Board member will have the option of securing one night's lodging in Sacramento, either the night before the meeting, or after conclusion of the meeting.

c) For out-of-County business that requires multiple business days, if County travelers are eligible to claim lodging for the first and last evenings of an out-of-County trip, they are also eligible to claim lodging for any evenings that fall in between the first and last evenings of the trip.

d) County travelers are not eligible to claim reimbursement of lodging costs when staying overnight as a guest of friends or relatives.

2. Lodging Claims

a) Lodging expenses shall be claimed at either the actual cost of the lodging (limited to the single occupancy rate for a single room) or the County's maximum lodging rate (Federal Per Diem Rate), whichever is less. Receipts are required. Taxes are in addition to the Federal Per Diem Rate.

b) Lodging costs may exceed the County's maximum lodging rate only when a conference, meeting or convention is being sponsored by an organization of which the County, the department or employee is a member, the lodging may be claimed at the actual cost if seminars or meetings are to be held at the particular hotel and/or events are scheduled for evening hours, and the department head has given advance written authorization.

c) An original room folio receipt, showing the number of days and the number of occupants, is required for lodging claims. A copy of the receipt, travel agency statement or a credit card receipt alone is insufficient.

d) When a room is shared with a fellow County traveler, the expense may either be prorated, and the prorated amount claimed by each County traveler, or one County traveler may claim the total expense at the multiple occupancy rate.

e) When a room is shared with a person other than a County traveler and said person will also be claiming reimbursement from the County or another source, the amount shall be prorated between the two travelers.

f) Lodging expense may not be claimed for guests of the County traveler. Where expense for a family member or friend is included in the receipt, the claim must not exceed the single occupancy rate.

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g) Special lodging, such as accommodations in apartments, RV parks, campgrounds or other semi-permanent lodgings, shall require advance written authorization of the County Administrative Officer and the Auditor-Controller.

h) County travelers should inquire when making lodging arrangements whether the County is exempt from Transient Occupancy Taxes (TOT) in the locale where they are staying and should provide the necessary form to the lodging facility, if required to do so to obtain the waiver.

h) Except when registering for lodging at a pre-arranged group rate in conjunction with a conference or meeting, County travelers shall request the government rate or lowest available eligible rate when making lodging arrangements.

i) Travelers are responsible for canceling hotel rooms before the cancellation period ends and should record the cancellation number in case of disputes. Travelers will not be reimbursed for "no-show" hotel charges unless there are unavoidable reasons for not canceling the room.

j) When multiple country travelers are traveling together and the rooms are put on one invoice, one traveler may take care of the invoice but should provide the details on who stayed in each room on the invoice.

E. Registration Fees

Conference, convention and seminar registration and tuition fees may be claimed at the actual cost, provided that the agenda/brochure or other documentation describing the event, including the price, accompanies the approved claim to the Auditor-Controller's.

F. Other Travel Expenses

1. County travelers are eligible to claim a per diem incidental allowance, limited to the maximum federal per diem incidental rate established by the IRS, for each day of travel requiring an overnight stay away from the traveler's home. Said allowance covers fees and gratuities for persons who provide services, such as food servers and luggage handlers, and does not require receipts (Except for Board of Supervisors Meals). If applicable (such as a Board of Supervisor meal), gratuities are limited to not exceed 15% of the service costs unless billed by a provider's standard policy at a higher rate.

2. County travelers are eligible to claim the following expenses at actual cost, even if they also qualify for a per diem incidental allowance. Receipts are required.

   a) County business calls (traveler must annotate purpose of call on the bill)

   b) fax machine charges incurred to send or receive documents for County use.

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c) copy machine charges incurred to copy documents for County use.

d) Internet access connection and/or usage fees away from home not to exceed $15.00 per day, if Internet access is necessary for county related business.

e) other business related expenses determined to be reasonable and necessary by the department head and the Auditor-Controller.

VI. OTHER COUNTY BUSINESS EXPENSES

A. General Guidelines

In the course of conducting County business, employees, contractors or volunteers may incur business expenses (including meal expenses pursuant to Section V.C) on behalf of the County. Such expenses will be approved for reimbursement if the disbursement meets the following requirements:

- The disbursement is for an ordinary (not extravagant) and necessary expense of conducting County business, or is an expense that is required by the County,
- The expense is approved by a member of the County Board of Supervisors, or a County department head (or his or her designee), and
- The payee accounts for the expense in accordance with the rules for a "Accountable Expense Reimbursement Plan", as set forth in the Internal Revenue Code and related regulations.

B. Taxation of Business Expense Reimbursements

If a reimbursement to an employee, contractor or volunteer meets the requirements of an "Accountable Expense Reimbursement Plan", then such reimbursement will not be reportable for federal or California income tax purposes.

VII. CLAIMING PROCEDURES FOR OUT-OF-COUNTY TRAVEL

A. Travel Advance Claims

1. Authorizations and Eligibility

a) Travel advances are strongly discouraged and are only available to County employees. The issuance of travel advances creates double work for departmental and auditor-controller staff and should only be used if a County travel card cannot be used or the employee does not have a personal credit card. Board of Supervisors Members are not eligible for travel advances.

The first choice is for travelers to use their personal credit cards to pay for their

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travel expenses and be reimbursed before their monthly statement arrives. Secondly, the County has arranged for the use of the Travel Card to pay many travel related expenses. Departments may use their Travel Cards to pay for airline tickets and conference registration expenses for all of their employees, not just the cardholder. Commercial carrier and conference registration expenses should not be considered in the advance calculation. The third choice would be a cash advance, if necessary.

b) Travel advances require the authorization of the department head or his/her designee, and the Auditor-Controller or his/her designee.

c) The net amount of the travel advance shall not exceed the following:

(1) 75% of the total estimate for the following travel expenses, exclusive of payments made payable directly to the vendor:

(a) lodging (documentation, including at least the confirmation number and hotel name should be provided), including hotel parking

(b) rental vehicle transportation;

(c) per diem meal allowances;

(d) long-term airport parking;

(e) other out-of-pocket expenses deemed necessary and reasonable by the Auditor-Controller.

(2) 50% of the total estimate of reimbursement for mileage for business use of a private vehicle.

d) A travel advance shall not be issued for a net amount less than $100.00 nor more than $2,000.00.

e) A travel advance shall not be issued more than thirty (30) calendar days in advance of the commencement of travel.

f) Travelers are not eligible for an additional travel advance if they have an unsettled advance, unless the advances are for travel taken consecutively. In such case, the sum total of the travel advances shall not exceed $2,000.00.

2. Travel Advance Requests

a) Requests for travel advances involving travel shall be submitted by the department head to the Auditor-Controller's Office on a completed and signed

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"County of Monterey Travel Request" form, accompanied by all documentation relative to the request, at least ten (10) working days in advance of the commencement of travel.

b) After a completed and approved "County of Monterey Travel Request" form is received by the Auditor-Controller's Office, a warrant payable to the County traveler for the amount requested shall be issued, up to the 100% maximum amount allowed pursuant to this County travel policy.

3. Travel Advance Settlements

a) Within five (5) working days of completion of travel, the County traveler shall submit all receipts for allowable travel expenses to the Department and within fifteen (15) working days of completion of travel to the Auditor-Controller's Office on a completed County claim form. Credit for the travel advance shall be subtracted from the amount owed to the County traveler.

b) In the event that allowable expenses are less than the amount of the travel advance, the County traveler shall submit the difference in the form of a check or money order made out to the "County of Monterey" with the claim form.

c) County travelers who cannot provide a required receipt shall reimburse the County for the amount of the money advanced to them for that expense.

d) Travelers who do not submit the required documentation by the time frames set forth above may lose their eligibility for future travel advances.

e) Department heads are responsible for ensuring that their employees settle their travel advance claims within the time frames set forth in subsection a) above. Non-compliance may jeopardize advances for the entire department.

B. Prepaid Vendor Claims

1. Vendor Claim Requests

a) Once travel has been authorized, claims to the vendor may be submitted for lodging and registration fees when there is sufficient time for the check to be processed before the authorized County traveler commences travel.

b) If the travel requires a "County of Monterey Travel Request" form, the approved form shall be submitted with the claim. If the original has been submitted with a previous claim, then that shall be noted on the claim form and a copy of the form attached.

c) Whenever possible, the County shall be named as registrant for events to allow

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transfer of attendance privilege when conflicts prevent the original registrant from attending.

d) The County will mail the warrant directly to the vendor unless the traveler requests that the warrant be returned to them to hand carry to the vendor.

2. Vendor Claim Settlements

a) Each vendor claim must have an original receipt attached in order to settle the claim. The required receipts for vendor claims that have been prepaid shall be forwarded to the Auditor-Controller's Office within thirty (30) calendar days after completion of travel.

b) Claims paid directly to vendors that are not substantiated by receipts within thirty (30) calendar days of the completion of travel shall be considered to be unsettled travel advances to the County traveler.

c) Department heads are responsible for ensuring that their employees return their receipts within the time frames established by this policy. Non-compliance may jeopardize the department's ability to have travel expenses paid in advance.

d) In the event that all or a portion of the prepaid cost to a vendor is reduced after the check has been processed, the County traveler is responsible for ensuring that the entire difference is returned to the County within the time frames established for settling the claim.

C. Travel Reimbursement Claims

1. After completion of travel, the County traveler shall submit a completed County claim form to the department head for authorization. After review and authorization, the department head shall submit the authorized claim, together with any required receipts, to the Auditor-Controller's Office. Said claim shall be received by the Auditor-Controller's Office within thirty (30) calendar days of the completion of travel.

2. The traveler shall not be reimbursed until s/he has signed the certification for the claim that is required by the Auditor-Controller's Office.

3. The Auditor-Controller's Office shall review the claim for compliance with applicable County policies and procedures. If approved by the Auditor-Controller's Office, the claim shall be processed and a check sent to the claimant within ten (10) working days. If denied, or denied in part, the department's contact person will be notified immediately. The Auditor-Controller has the final decision on allowable expenses.

4. No reimbursement for travel shall be paid to the employee until all required receipts

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for the travel claim have been filed with the Auditor-Controller's Office.

5. Travel reimbursements are to be paid via checks and not to be paid via petty cash.

D. Mileage Claims

1. Whenever travel requires advance authorization of the department head, or his/her designee, the resulting mileage expense shall be claimed on the same claim form as the other expenses that apply to that travel. The only exception is if mileage is the only expense of the trip, in which case the traveler may claim the mileage on the monthly "Mileage Reimbursement" claim form.

2. Whenever travel does not require advance authorization of the department head, or his/her designee, the resulting mileage expense shall be claimed on the "Mileage Reimbursement" claim form.

3. Mileage claims shall be submitted monthly, unless the total for the month is less than $50.00, in which case the claim may be held for an additional month. However, the claim must not be held over to the next month more than twice, regardless of the dollar amount.

4. All mileage claims for the last month of the fiscal year must be processed by year-end close.

5. Mileage Claims are to be paid via warrants and not to be paid via petty cash.

E. Reimbursement by Outside Source

1. County travelers receiving reimbursement from an outside source for travel on County time shall forward said reimbursement to the Auditor-Controller for handling and deposit if the traveler intends to submit an expense claim to the County or use County resources, including a County vehicle, to travel. In such cases, the traveler shall then be entitled to submit a claim for actual and necessary expenses for transportation, meals, lodging, and incidentals, subject to the claiming conditions set forth in this travel policy. Said reimbursement shall be delivered to the Auditor-Controller's Office within thirty (30) days of the receipt of the funds.

2. If a County volunteer or non-employee will be receiving a per diem or other reimbursement of travel expenses from a source outside of the County, the volunteer shall not be eligible to claim or receive any additional reimbursement from the County for the same expenses.

F. Late Claims

If a claim for reimbursement or settlement of a travel claim is submitted after the allowed time frames, the payment to the employee shall not be made until the claim has

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been reviewed and approved by the Auditor-Controller or his/her designee.

G. Travel Card Use

Subject to the rules contained in the Travel Card Policy, travel expenses (airline, hotel, vehicle rental, gas, emergency repair of county vehicles and airport parking) may be charged to County of Monterey Travel Cards. Prohibited items include employee meals, room service, movies, cash advances, gift cards of any kind, liquor, tobacco and other items prohibited by the Travel Card Policy. Under no circumstances should personal items (even if reimbursed to the county) be charged to the travel card. Expenses paid on the travel card should not be included on a claim for reimbursement.

VII. INTERPRETATIONS

The Auditor-Controller, or his/her designee, shall be responsible for interpretations of this policy.

VIII. EXCEPTIONS

Exceptions to this policy require the approval of the Auditor-Controller or his/her designee.

IX. CONFLICT WITH RULES

In the event that this County Travel policy is in conflict with another County policy, the policy with the strictest application shall prevail.

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Exhibit E:

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("BAA") effective March 1, 2024 ("Effective Date"), is entered into by and among between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and Pomphrey Consulting, LLC ("Business Associate") (each a "Party" and collectively the "Parties").

RECITALS

A. WHEREAS, Business Associate provides certain Services for Covered Entity that involve the Use and Disclosure of Protected Health Information ("PHI") that is created, received, transmitted, or maintained by Business Associate for or on behalf of Covered Entity.

B. WHEREAS, The Parties are committed to complying with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), and their implementing regulations, including the Standards for the Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E (the "Privacy Rule"), the Breach Notification Standards, 45 C.F.R. Part 160 and 164 subparts A and D (the "Breach Notification Rule"), and the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C (the "Security Rule"), (collectively "HIPAA"), all as amended from time to time.

C. WHEREAS, The Parties are also committed to complying with the California Confidentiality Laws (defined below).

D. WHEREAS, To the extent that Business Associate is performing activities in connection with covered accounts for or on behalf of Covered Entity, the Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules").

E. WHEREAS, The Privacy and Security Rules require Covered Entity and Business Associate to enter into a business associate agreement that meets certain requirements with respect to the Use and Disclosure of PHI. This BAA, sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI") shall be handled, in accordance with such requirement.

NOW THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, the Parties agree as follows:

AGREEMENT

1. DEFINITIONS

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1.1 All capitalized terms used in this BAA but not otherwise defined shall have the meaning set forth in the Privacy Rule, the Breach Notification Rule, or the Security Rule.

(a) "Breach" shall have the same meaning as "breach" as defined in 45 C.F.R. § 164.402 and shall mean the access, acquisition, Use, or Disclosure of PHI in a manner not permitted under the Privacy Rule that compromises the privacy or security of the PHI; the term "Breach" as used in this BAA shall also mean the unlawful or unauthorized access to, Use or Disclosure of a patient's "medical information" as defined under Cal. Civil Code § 56.05(j), for which notification is required pursuant to Cal. Health & Safety Code 1280.15, or a "breach of the security of the system" under Cal. Civil Code §1798.29.

(b) "California Confidentiality Laws" shall mean the applicable laws of the State of California governing the confidentiality of PHI or Personal Information, including, but not limited to, the California Confidentiality of Medical Information Act (Cal. Civil Code §56, et seq.), the patient access law (Cal. Health & Safety Code §123100 et seq.), the HIV test result confidentiality law (Cal. Health & Safety Code §120975, et seq.), the Lanterman-Petris-Short Act (Cal. Welf. & Inst. Code §5328, et seq.), and the medical identity theft law (Cal. Civil Code 1798.29).

(c) "Protected Health Information" or "PHI" shall mean any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual or the past, present or future payment for the provision of health care to an individual; (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information that can be used to identify the individuals, and (iii) is provided by Covered Entity to Business Associate or created, maintained, received, or transmitted by Business Associate on Covered Entity's behalf. **PHI includes EPHI**.

(d) "Services" shall mean the services for or functions on behalf of Covered Entity performed by Business Associate pursuant to a Services Agreement between Covered Entity and Business Associate to which this BAA applies.

2. PERMITTED USES AND DISCLOSURES OF PHI

Unless otherwise limited herein, Business Associate may:

(a) Use or Disclose PHI to perform Services for, or on behalf of, Covered Entity, provided that such Use or Disclosure would not violate the Privacy or Security Rules, this BAA, or California Confidentiality Laws;

(b) Use or Disclose PHI for the purposes authorized by this BAA or as otherwise Required by Law;

(c) Use PHI to provide Data Aggregation Services for the Health Care Operations of Covered Entity, if required by the Services Agreement and as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

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(d) Use PHI if necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) Disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted under 45 C.F.R. § 164.504(e)(4)(ii), provided that Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and that such person will notify the Business Associate of any instances of which such person is aware that the confidentiality of the information has been breached;

(f) Use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1); and

(g) De-identify any PHI obtained by Business Associate under this BAA in accordance with 45 C.F.R. § 164.514 and Use or Disclose such de-identified information only as required to provide Services pursuant to the a Services Agreement between the Parties, or with the prior written approval of Covered Entity.

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1. Responsibilities of Business Associate. With regard to its Use and/or Disclosure of PHI, Business Associate shall:

(a) Notify the Privacy Officer of Covered Entity, in writing, of: (i) any Use and/or Disclosure of the PHI that is not permitted or required by this BAA; (ii) any Security Incident of which Business Associate becomes aware; and (iii) any suspected Breach. Such notice shall be provided within five (5) business days of Business Associate's discovery of such unauthorized access, acquisition, Use and/or Disclosure. Notwithstanding the foregoing, the Parties acknowledge the ongoing existence and occurrence of attempted but ineffective Security Incidents that are trivial in nature, such as pings and other broadcast service attacks, and unsuccessful log-in attempts. The Parties acknowledge and agree that this Section 3.1(a) constitutes notice by Business Associate to Covered Entity of such ineffective Security Incidents and no additional notification to Covered Entity of such ineffective Security Incidents is required, provided that no such Security Incident results in a Breach. A ransomware attack shall not be considered an ineffective Security Incident and shall be reported to Covered Entity, irrespective of whether such Security Incident results in a Breach. Business Associate shall investigate each Security Incident or unauthorized access, acquisition, Use, or Disclosure of PHI, or suspected Breach that it discovers and shall provide a summary of its investigation to Covered Entity, upon request. If Business Associate or Covered Entity determines that such Security Incident or unauthorized access, acquisition, Use, or Disclosure, or suspected Breach constitutes a Breach, then Business Associate shall comply with the requirements of Section 3.1(a)(i) below;

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(i) Business Associate shall provide a supplemental written report in accordance with 45 C.F.R. § 164.410(c), which shall include, to the extent possible, the identification of each individual whose PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used or Disclosed during the Breach, to Covered Entity without unreasonable delay, but no later than five (5) business days after discovery of the Breach;

(ii) Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the appropriate government agencies, and, if applicable, the media. Business Associate shall assist with the implementation of any decisions by Covered Entity to notify individuals or potentially impacted individuals;

(b) In consultation with the Covered Entity, Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper access, acquisition, Use, or Disclosure, Security Incident, or Breach. Business Associate shall take prompt corrective action, including any action required by applicable State or federal laws and regulations relating to such Security Incident or non-permitted access, acquisition, Use, or Disclosure. Business Associate shall reimburse Covered Entity for its reasonable costs and expenses in providing any required notification to affected individuals, appropriate government agencies, and, if necessary the media, including, but not limited to, any administrative costs associated with providing notice, printing and mailing costs, public relations costs, attorney fees, and costs of mitigating the harm (which may include the costs of obtaining up to one year of credit monitoring services and identity theft insurance) for affected individuals whose PHI or Personal Information has or may have been compromised as a result of the Breach;

(c) Implement appropriate administrative, physical, and technical safeguards and comply with the Security Rule to prevent Use and/or Disclosure of EPHI other than as provided for by this BAA;

(d) Obtain and maintain a written agreement with each of its Subcontractors that creates, maintains, receives, Uses, transmits or has access to PHI that requires such Subcontractors to adhere to the substantially the same restrictions and conditions with respect to PHI that apply to Business Associate pursuant to this BAA;

(e) Make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the Use and/or Disclosure of PHI received from, created, maintained, or transmitted by Business Associate on behalf of Covered Entity to the Secretary of the Department of Health and Human Services ("Secretary") in a time and manner designated by the Secretary for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule. In addition, Business Associate shall promptly make available to Covered Entity such books, records, or other information relating to the Use and Disclosure of PHI for purposes of determining whether Business Associate has complied with this BAA or maintains adequate security safeguards, upon reasonable request by Covered Entity;

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(f) Document Disclosures of PHI and information related to such Disclosure and, within thirty (30) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the Disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the Disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI Disclosed; and (iv) a brief statement of the purpose of such Disclosure which includes an explanation of the basis for such Disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within ten (10) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) Subject to Section 4.4 below, return to Covered Entity within thirty (30) days of the termination of this BAA, the PHI in its possession and retain no copies, including backup copies;

(h) Disclose to its Subcontractors or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) If all or any portion of the PHI is maintained in a Designated Record Set:

(i) Upon ten (10) days' prior written request from Covered Entity, provide access to the PHI to Covered Entity to meet a request by an individual under 45 C.F.R. § 164.524. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for access to PHI from an Individual; and

(ii) Upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526. Business Associate shall notify Covered Entity within ten (10) days of its receipt of a request for amendment of PHI from an Individual;

(j) If applicable, maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) To the extent that Business Associate carries out one or more of Covered Entity's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligations;

(l) Unless prohibited by law, notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent

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that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge; and

(m) Maintain policies and procedures materially in accordance with State Confidentiality Laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security.

3.2 Business Associate Acknowledgment.

(a) Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

(b) Business Associate further acknowledges that it is obligated by law to comply, and represents and warrants that it shall comply, with HIPAA and the HITECH Act. Business Associate shall comply with all California Confidentiality Laws, to the extent that such state laws are not preempted by HIPAA or the HITECH Act.

(c) Business Associate further acknowledges that uses and disclosures of protected health information must be consistent with NMC's privacy practices, as stated in NMC's Notice of Privacy Practices. The current Notice of Privacy Practices can be retrieved online at: http://www.natividad.com/quality-and-safety/patient-privacy . Business Associate agrees to review the NMC Notice of Privacy Practices at this URL at least once annually while doing business with NMC to ensure it remains updated on any changes to the Notice of Privacy Practices NMC may make.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) Provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) Notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI;

(c) Notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the Use or Disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI; and

(d) Notify Business Associate of any restrictions on Use and/or Disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.

4. TERM AND TERMINATION

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4.1 Term. This BAA shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Section 4. Certain provisions and requirements of this BAA shall survive its expiration or other termination as set forth in Section 5 herein.

4.2 Termination. If Covered Entity determines in good faith that Business Associate has breached a material term of this BAA, Covered Entity may either: (i) immediately terminate this BAA and any underlying Services Agreement; or (ii) terminate this BAA and any underlying Services Agreement within thirty (30) days of Business Associate's receipt of written notice of such breach, if the breach is not cured to the satisfaction of Covered Entity.

4.3 Automatic Termination. This BAA shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this BAA for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(J) if, and to the extent that, it is feasible to do so. Prior to returning the PHI, Business Associate shall recover any PHI in the possession of its Subcontractors. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity with a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its Subcontractors. In such event, Business Associate shall: (i) retain only that PHI which is necessary for Business Associate to continue its proper management and administration or carry out its legal responsibilities; (ii) return to Covered Entity the remaining PHI that the Business Associate maintains in any form; (iii) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains PHI; (iv) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions as set out in Section 2 above, which applied prior to termination; and (vi) return to Covered Entity the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 2.1, 4.4, 5.7, 5.8, 5.11, and 5.12 shall survive termination of this BAA until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this BAA, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This BAA may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of HIPAA, the HITECH Act, or California Confidentiality

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Laws is materially amended in a manner that changes the obligations of the Parties, the Parties agree to negotiate in good faith appropriate amendment(s) to this BAA to give effect to the revised obligations. Further, no provision of this BAA shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below, and/or via facsimile to the facsimile telephone numbers listed below.

If to Business Associate, to:

Pomphrey Consulting
Attn: Michelle Pomphrey
2683 Spring Hill Rd
Staunton, VA 24401
Phone: 540-448-2770
Fax:

If to Covered Entity, to:

Natividad Medical Center
Attn: Compliance/Privacy Officer
1441 Constitution Blvd.
Salinas, CA 93906
Phone: 831-755-4111
Fax: 831-755-6254

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This BAA may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Relationship of Parties. Notwithstanding anything to the contrary in the Services Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform, or cause to be performed all Business Associate obligations under this BAA.

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5.7 Choice of Law; Interpretation. This BAA shall be governed by the laws of the State of California. Any ambiguities in this BAA shall be resolved in a manner that allows Covered Entity and Business Associate to comply with the Privacy Rule, the Security Rule, and the California Confidentiality Laws.

5.8 Indemnification. Business Associate shall indemnify, defend, and hold harmless the County of Monterey (the "County"), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including costs incurred by the County with respect to any investigation, enforcement proceeding, or third party action, arising out of, or in connection with, a violation of this BAA or a Breach that is attributable to an act or omission of Business Associate and/or its agents, members, employees, or Subcontractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the Parties to provide the broadest possible indemnification for the County. This provision is in addition to, and independent of, any indemnification provision in any related or other agreement between the Parties.

5.9 Applicability of Terms. This BAA applies to all present and future Service Agreements and Business Associate relationships, written or unwritten, formal or informal, in which Business Associate creates, receives, transmits, or maintains any PHI for or on behalf of Covered Entity in any form whatsoever. This BAA shall automatically be incorporated in all subsequent agreements between Business Associate and Covered Entity involving the Use or Disclosure of PHI whether or not specifically referenced therein. In the event of any conflict or inconsistency between a provision of this BAA and a provision of any other agreement between Business Associate and Covered Entity, the provision of this BAA shall control unless the provision in such other agreement establishes additional rights for Business Associate or additional duties for or restrictions on Business Associate with respect to PHI, in which case the provision of such other agreement will control.

5.10 Insurance. In addition to any general and/or professional liability insurance required of Business Associate, Business Associate agrees to obtain and maintain, at its sole expense, liability insurance on an occurrence basis, covering any and all claims, liabilities, demands, damages, losses, costs and expenses arising from a breach of the obligations of Business Associate, its officers, employees, agents and Subcontractors under this BAA. Such insurance coverage will be maintained for the term of this BAA, and a copy of such policy or a certificate evidencing the policy shall be provided to Covered Entity at Covered Entity's request.

5.11 Legal Actions. Promptly, but no later than five (5) business days after notice thereof, Business Associate shall advise Covered Entity of any actual or potential action, proceeding, regulatory or governmental orders or actions, or any material threat thereof that becomes known to it that may affect the interests of Covered Entity or jeopardize this BAA, and of any facts and circumstances that may be pertinent to the prosecution or defense of any such actual or potential legal action or proceeding, except to the extent prohibited by law.

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5.12 Audit or Investigations. Promptly, but no later than five (5) calendar days after notice thereof, Business Associate shall advise Covered Entity of any audit, compliant review, or complaint investigation by the Secretary or other state or federal agency related to compliance with HIPAA, the HITECH Act, or the California Confidentiality Laws.

IN WITNESS WHEREOF, each of the undersigned has caused this BAA to be duly executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE

DocuSigned by:
By: Michelle Pomphrey
25053351897C4A1

Print Name Michelle Pomphrey

Print Title CEO

Date: 2/26/2024 | 5:07 PM PST

COVERED ENTITY

DocuSigned by:
By: Charles R. Harris
4E1F837D204E481...

Print Name: Charles R. Harris

Print Title: CEO

Date: 4/9/2024 | 9:29 AM PDT

Approved by the County of Monterey Board of Supervisors on 11/01/16 and revised on 12/09/16

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EXHIBIT F:
NATIVIDAD MEDICAL CENTER
INSURANCE MODIFICATION JUSTIFICATION

Vendor/Contractor Name: Pomphrey Consulting, LLC
Services Description: Trauma Registrar Staffing Services

Business Automobile Liability Insurance Requirements

Business Automobile Liability Insurance requirements are waived. CONTRACTOR shall be providing services completely remote.

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RENEWAL AND AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN POMPHREY CONSULTING, LLC AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
TRAUMA REGISTRAR STAFFING SERVICES

This Renewal and Amendment No. 1 to the Services Agreement ("Agreement") which was effective on March 1, 2024 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Pomphrey Consulting, LLC ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for trauma registrar staffing services with a term March 1, 2024 through February 28, 2025 and a total Agreement amount not to exceed $250,000; and

WHEREAS, the Agreement expired on March 1, 2025; and

WHEREAS, the Parties currently wish to renew and amend the Agreement via Renewal and Amendment No. 1 retroactive to March 1, 2025 to extend the term through July 1, 2027 for a revised term of Agreement (March 1, 2024 through July 1, 2027) to allow for continued need of CONTRACTOR's services with no revisions to the scope of work or billing rates, with an increase of $200,000 for a revised total Agreement amount of $450,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed and amended on the terms and conditions as set forth in the Original Agreement incorporated herein by this reference, except as specifically set forth below.

1. Section 2 / Paragraph titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT C, subject to the limitations set forth in this Agreement. The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $450,000."

2. The first sentence of Section 3.1 /Paragraph titled, "TERM OF AGREEMENT" shall be amended to the following:
   "The term of this Agreement is from March 1, 2024 through July 1, 2027 unless sooner terminated pursuant to the terms of this Agreement."

3. If there is any conflict or inconsistency between the provisions of Agreement, or this Renewal and Amendment No. 1, the provisions of this Renewal and Amendment No. 1 shall govern.

4. This Renewal and Amendment is effective retroactively on March 1, 2025.

~ Signature page to follow ~

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IN WITNESS WHEREOF, the Parties hereby execute this Renewal and Amendment No. 1 as follows:

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

By: _____
Charles R. Harris, CEO

Date: _____

APPROVED AS TO LEGAL PROVISIONS

By: Signed by: Stacy Saetta 696D21D44C4341D...
Monterey County Deputy County Counsel

Date: 7/29/2025 | 8:56 AM PDT

APPROVED AS TO FISCAL PROVISIONS

By: DocuSigned by: Patricia Ruiz E79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 7/30/2025 | 7:39 AM PDT

CONTRACTOR

Pomphrey Consulting, LLC
CONTRACTOR's Business Name
See instructions below

By: DocuSigned by: John G. Buck 5F542A85E495457...
(Signature of: Chair, President, or Vice-President)

John G. Buck, Vice President of Operations
Name and Title

Date: 6/26/2025 | 7:53 AM PDT

By: Signed by: Vicki Burton EEA9B21588C54F7...
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Vicki Burton, Vice President of Education
Name and Title

Date: 6/26/2025 | 8:10 AM PDT

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Kate Daniels to:

Agreement No.: A-17319
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement with META Dynamic, Inc. for rental of neurosurgery equipment plus associated services, with no changes to the agreement term (April 15, 2024 through April 14, 2026) and adding $100,000 for a revised total agreement amount not to exceed $300,000.

PASSED AND ADOPTED on this 3rd day of June 2025, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew and Daniels
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting June 3, 2025.

Dated: June 5, 2025
File ID: A 25-165
Agenda Item No.: 20

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Emmanuel H. Santos

Emmanuel H. Santos, Deputy

Docusign Envelope ID: BB9B3A7A-8E1A-416D-AFB9-2BA4E2A987CE

AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN META DYNAMIC, INC. AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
RENTAL OF GUIDED SURGERY EQUIPMENT AND SERVICES.

This Amendment No. 1 to the Services Agreement ("Agreement") which was effective on April 15, 2024 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and META Dynamic, Inc. ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed for Rental of Guided Surgery Equipment and Services with a term April 15, 2024 through April 14, 2026 and a total Agreement amount not to exceed $200,000; and

WHEREAS, COUNTY and CONTRACTOR currently wish to amend the Agreement with no changes to the Agreement term of April 15, 2024 through April 14, 2026 and no changes to the original scope of work with a $100,000 increase for a revised total Agreement amount not to exceed $300,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement and in Amendment No. 1 incorporated herein by this reference, except as specifically set forth below.

1. Section 2 / Paragraph titled, "PAYMENTS BY COUNTY" shall be amended to the following:
   "The total amount payable by* COUNTY *to CONTRACTOR under this Agreement shall not exceed the sum of $300,000."

2. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Agreement.

3. A copy of this Amendment No. 1 shall be attached to the Agreement.

4. This Amendment No. 1 shall be effective when signed by both Parties.

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~ Signature page to follow ~

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IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 1 on the basis set forth in this document and have executed this Amendment No. 1 on the day and year set forth herein.

COUNTY OF MONTEREY on behalf of NATIVIDAD MEDICAL CENTER

DocuSigned by:
By: Charles Harris
4E1F837D204E481...
Charles R. Harris, CEO

Date: 6/6/2025 | 8:40 AM PDT

APPROVED AS TO LEGAL PROVISIONS

Signed by:
By: Stacy Saetta
696D21D44C4341D...
Monterey County Deputy County Counsel

Date: 4/22/2025 | 9:08 PM PDT

APPROVED AS TO FISCAL PROVISIONS

DocuSigned by:
By: Patricia Ruiz
E79EF64E57454F6...
Monterey County Deputy Auditor/Controller

Date: 4/23/2025 | 7:42 AM PDT

CONTRACTOR

Meta Dynamic, Inc.
CONTRACTOR's Business Name
See instructions below

By: Evan Pfleider
(Signature of: Chair, President, or Vice-President)

Evan Pfleider, President
Name and Title

Date: 4/17/2025

By: Rick Christensen
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Rick Christensen, CFO / Corporate Controller
Name and Title

Date: 4/17/2025

Instructions

If CONTRACTOR is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

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Monterey County
Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Mary L. Adams to:

Agreement No.: A-15737 ; Amendment No.: 3
Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute the Third Amendment to the Professional and Call Coverage Services Agreement with Access TeleCare California, P.C. (A-15737) to provide tele-neurology services, adding $400,000 for a revised not to exceed amount of $1,280,000 and extending the term by twelve months (April 1, 2025 to March 31, 2026) for a revised full agreement term of April 1, 2022 to March 31, 2026.

PASSED AND ADOPTED on this 3rd day of December 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew and Adams
NOES: None
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting December 3, 2024.

Dated: December 9, 2024
File ID: A 24-531
Agenda Item No.: 42

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Vicente Ramirez, Deputy

Docusign Envelope ID: 84B699D2-D6B1-4F5D-8896-4E252CF8D5E3

THIRD AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS THIRD AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Second Amendment"**) by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Access TeleCare California, P.C., a California professional corporation (**"Contractor"**), with respect to the following shall be effective on the date signed by all Parties.

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of April 1, 2022 as amended effective as of January 1, 2023 and April 1, 2024 (collectively, the **"Agreement"**), pursuant to which Contractor provides Specialty Services to Hospital Patients.

C. Hospital and Contractor desire to amend the Agreement to extend the term by twelve (12) months and add $400,000 to the aggregate amount not to exceed.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Two Hundred Eighty Thousand Dollars ($1,280,000)."

3. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on April 1, 2022 (the **"Effective Date"**) and shall continue until March 31, 2026 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.**"**

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4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

5. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

6. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: 84B699D2-D6B1-4F5D-8896-4E252CF8D5E3

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ACCESS TELECARE CALIFORNIA, P.C., a California professional corporation

DocuSigned by:
By: Chris Gallagher Date: 11/5/2024 | 5:07 PM EST
AEFC4B394B0E40F...
Its President

By: xxxxxxxxxxxxx Date: _____
Its _____

NATIVIDAD MEDICAL CENTER

DocuSigned by:
Charles R. Harris Date: 12/10/2024 | 2:53 PM PST
4E1F837D204E481...
Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

Signed by:
Stacy Saetta Date: 11/6/2024 | 1:15 PM PST
696D21D44C4341D...
Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth Date: 11/6/2024 | 4:01 PM PST
4E7E657875454AE...
Deputy Auditor/Controller

Docusign Envelope ID: EECA7ED3-520F-4CE4-BBED-9BC18E40DFAD

FOURTH AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS FOURTH AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Second Amendment"**) by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Access TeleCare California, P.C., a California professional corporation (**"Contractor"**), with respect to the following shall be effective on the date signed by all Parties.

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility and Level II Trauma Center located in Salinas, California and various outpatient clinics under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of April 1, 2022 as amended effective as of January 1, 2023, April 1, 2024 and December 10, 2024 (collectively, the **"Agreement"**), pursuant to which Contractor provides Specialty Services to Hospital Patients.

C. Hospital and Contractor desire to amend the Agreement to add $400,000 to the aggregate amount not to exceed.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation"**), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Six Hundred Eighty Thousand Dollars ($1,680,000)."

3. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

4. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

5. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: EECA7ED3-520F-4CE4-BBED-9BC18E40DFAD

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ACCESS TELECARE CALIFORNIA, P.C., a California professional corporation

By: _____ Date: Jul 23, 2025
Its President 18K58WQ4-15Y8W5X7

By: XXXXXXX Date: _____
Its _____

NATIVIDAD MEDICAL CENTER

_____ Date: _____
Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel Date: 7/31/2025 | 4:54 PM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Deputy Auditor/Controller Date: 8/1/2025 | 7:42 AM PDT

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FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT

THIS FIRST AMENDMENT TO PROFESSIONAL AND CALL COVERAGE SERVICES AGREEMENT (the **"Amendment"**) is made and entered into as of October 1, 2025, by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation (**"Contractor"**) with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California under its acute care license.

B. Contractor and Hospital have entered into that certain Professional and Call Coverage Services Agreement dated effective as of September 1, 2023 (the **"Agreement"**) pursuant to which Contractor provides Specialty services to Patients.

C. Hospital and Contractor desire to amend the Agreement to extend the term of the Agreement for an additional twenty-four (24) months and add Eight Hundred Thousand Dollars ($800,000) to the aggregate amount payable to Contractor, as set forth below.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 2.1**. Section 2.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> **"2.1 Compensation.** Hospital shall pay to Contractor the amount determined in accordance with **Exhibit 2.1** (the **"Compensation**"), upon the terms and conditions set forth therein. The total amount payable by Hospital to Contractor under this Agreement shall not exceed the sum of One Million Six Hundred Thousand Dollars ($1,600,000)**."**

3. **Section 5.1**. Section 5.1 to the Agreement is hereby amended and restated to read in its entirety as follows:

> "**5.1 Term.** This Agreement shall become effective on September 1, 2023 (the **"Effective Date"**), and shall continue until September 30, 2027 (the **"Expiration Date"**), subject to the termination provisions of this Agreement."

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4. **Exhibit 1.10**. Exhibit 1.10 to the Agreement is hereby renumbered as Exhibit 1.11 and deleted and replaced in its entirety and attached hereto as **Exhibit 1.11**.

5. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

6. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

7. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: DDC6244B-47D3-4A56-8F6C-EACE32FB6743

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

MONTEREY BAY GI CONSULTANTS MEDICAL GROUP, INC., a California professional corporation

DocuSigned by:
By: Daniel Luba
B974AA04988425...
Its Daniel Luba

Date: 7/22/2025 | 5:14 PM PDT

NATIVIDAD MEDICAL CENTER

_____ Date: _____
Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
C0ECE1B99F444A9...
Stacy Saetta, Deputy County Counsel

Date: 7/28/2025 | 10:11 AM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Patricia Ruiz
E79EF64E57454F6...
Deputy Auditor/Controller

Date: 7/28/2025 | 2:28 PM PDT

Docusign Envelope ID: DDC6244B-47D3-4A56-8F6C-EACE32FB6743

Exhibit 1.11

Natividad
Inspiring healthy lives

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Number:** MSP004-2 BOT Approval: 1/2023
Standard: Medical Staff (MS)	MEC Approval: 12/22 Responsible: Medical Staff Services Manager

As a member of the Medical Staff or an Advanced Practice Professional (APP) of Natividad (collectively Practitioners), you must acknowledge that the ability of Practitioners and Natividad employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team, recognizing that patients, family members, visitors, colleagues and Natividad staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of Natividad, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at Natividad, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the Natividad health care team.

2. Recognize the individual and independent responsibilities of all other members of the Natividad health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, Natividad employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Reflect positively upon the reputation of the health care profession, the Medical Staff, and Natividad in their language, action, attitude, and behavior.

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6. Commit and contribute to the overall educational mission of Natividad and promote an effective, inclusive, equitable and supportive clinical learning environment.

Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior.

Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of Natividad, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at Natividad, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the Natividad health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude, and behavior which consistently convey to patients, families, colleagues, and all other members of the Natividad health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all Natividad professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post-discharge planning and follow-up.

6. Respect the right of patients, families, or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within Natividad with courtesy, respect, and human dignity.

8. Conduct one's practice at Natividad in a manner that will facilitate timely commencement of medical/surgical procedures at Natividad, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

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EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of Natividad owned property.

2. Falsification of medical records, including timekeeping records and other Natividad documents.

3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport, or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or Natividad employees should generate an Occurrence Report in Verge and submit pursuant to Natividad policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

    b. Harassing conduct includes, but is not limited to:

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1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on Natividad's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects.

10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages.

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling, or shouting at a person, or threatening violence or retribution.

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of Natividad staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at Natividad who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident via an Occurrence Report in Verge.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

Docusign Envelope ID: DDC6244B-47D3-4A56-8F6C-EACE32FB6743

Natividad
Inspiring healthy lives

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 12/22
Standard: MSP004-2	**Approved: MEC** 12/22 **BOT** 1/23

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

Printed name: Daniel Luba

Signature: DocuSigned by: Daniel Luba B974AA244988425... Date: 7/22/2025 | 5:14 PM PDT

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SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the **"Amendment"**), by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D, an individual (**"Contractor"**) is entered into on the date executed by all Parties, with respect to the following with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Services Agreement dated effective as of September 20, 2022, as amended September 20, 2023 (collectively the **"Agreement"**), pursuant to which Contractor provides Specialty services.

C. Hospital and Contractor desire to amend the Agreement to add Advanced Practice Practitioner Supervision Services and compensation for such services, as set forth below.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 1.1**. Section 1.1 to the Agreement is hereby amended and restated in its entirety, as set forth below:

> **"1.1 Services.**
>
> **(a) Professional Services.** Contractor shall provide the professional services described in **Exhibit 1.1(a)** (the **"Professional Services"**) to Clinic Patients, upon the terms and subject to the conditions set forth in this Agreement.
>
> **(b) Supervisions Services.** Contractor shall provide supervision of any clinician employed or contracted by Hospital providing Professional Services (the **"Supervision Services"**) in accordance with all applicable laws, rules and regulations, including, without limitation, applicable bylaws, rules and regulations of the Medical Staff and/or APP Staff. The staffing pattern may be set and modified from time to time with mutual agreement of Parties to ensure patient safety, quality care, high efficiencies and patient satisfaction.**"**

3. **Section 1.3**. Section 1.3 to the Agreement is hereby amended and restated in its entirety, as set forth below:

Docusign Envelope ID: 70178DEF-765C-4F4F-B2DD-A71D8E43CAF0

> **"1.3 Additional Services.** Contractor shall provide to Hospital those additional services set forth in **Exhibit 1.3** (the **"Additional Services"**), upon the terms and subject to the conditions set forth in this Agreement. The Professional Services, Supervision Services, Teaching Services and Additional Services are sometimes referred to collectively in this Agreement as the **"Services."**

4. **Exhibit 1.1**. Exhibit 1.1 to the Agreement is hereby renumbered and incorporated by reference as **Exhibit 1.1(a)**.

5. **Exhibit 2.1**. Exhibit 2.1 to the Agreement is hereby deleted and replaced in its entirety and attached hereto as **Exhibit 2.1**.

6. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

7. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

8. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

Docusign Envelope ID: 70178DEF-765C-4F4F-B2DD-A71D8E43CAF0

IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
2DFEA8FB7DC941A...

Date: 7/15/2024 | 11:50 AM PDT

NATIVIDAD MEDICAL CENTER

DocuSigned by:
4E1F837D204E481...
Deputy Purchasing Agent

Date: 7/19/2024 | 12:17 PM PDT

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
696D21D44C4341D...
Stacy Saetta, Deputy County Counsel

Date: 7/16/2024 | 4:26 PM PDT

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
E79EF64E57454F6...
Deputy Auditor/Controller

Date: 7/17/2024 | 7:36 AM PDT

Docusign Envelope ID: 70178DEF-765C-4F4F-B2DD-A71D8E43CAF0

Exhibit 2.1

COMPENSATION

1. **Clinic Services**. Hospital shall pay to Contractor per Work Relative Value Unit (as defined by the Centers for Medicare & Medicaid Services from time to time) ("**wRVU**") for those Professional Services rendered to Clinic Patients by Contractor, provided, however, that Contractor is in compliance with the terms and conditions of this Agreement and applicable Laws.

(a) Contractor shall be paid on the CPT codes submitted to and verified by Hospital professional billing office coders.

(b) Contractor must complete clinical documentation using Hospital's system on all submitted claims prior to reimbursement.

(c) Compensation will be calculated as follows:

(i) Thirty-Six Dollars and Forty Cents ($36.40) per wRVU personally performed by Contractor, or

(ii) Forty-One Dollars and Eighty-Six Cents ($41.86) per wRVU personally performed by Contractor during such time when Contractor is performing such services while directly supervising a family medicine resident at the request of Hospital.

2. **Supervision Services.** Hospital shall pay Contractor One Thousand Dollars ($1,000) per month for Supervision Services of Advanced Practice Practitioners in accordance with all applicable Laws and all applicable bylaws, rules and regulations of the Hospital's medical staff (the "**Medical Staff**")

3. **Timing.** At the end of each month, Hospital shall provide Contractor a monthly report ("**Encounter Summary**") that demonstrates the calculation of the compensation payable under this section.

(a) Contractor shall review the Encounter Summary for accuracy and return the signed Encounter Summary to Hospital within five (5) business days.

(b) In the event of a dispute regarding the appropriateness of a CPT code or modifier, or similar technical billing issue, which cannot be resolved informally by the Parties, the Parties shall jointly designate an independent third party billing expert to review and make a recommendation regarding the issue. The cost of such expert shall be shared equally by the Parties. Hospital shall give such recommendation great weight but, as the billing entity, shall have ultimate discretion in resolving such issue.

(c) The County of Monterey Standard Payment Terms for contracts/PSAs and paying invoices is "30 days after receipt of the certified invoice in the Auditor-Controller's Office".

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THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (the **"Amendment"**), is made and entered into as of September 20, 2025 by and between COUNTY OF MONTEREY (**"County"**) on behalf of NATIVIDAD MEDICAL CENTER (**"Hospital"**), and Adelheid Ebenhoech, M.D, an individual (**"Contractor"**) with respect to the following with respect to the following:

RECITALS

A. County owns and operates Hospital, a general acute care teaching hospital facility located in Salinas, California and various outpatient clinics (collectively, the **"Clinic"**) under its acute care license.

B. Contractor and Hospital have entered into that certain Professional Services Agreement dated effective as of September 20, 2022, and as amended effective September 20, 2023 and September 20, 2024 (collectively the **"Agreement"**), pursuant to which Contractor provides Specialty services to Patients.

C. Hospital and Contractor desire to amend the Agreement to extend by 12 months and modify the Code of Conduct at Exhibit 1.11.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual promises and covenants contained herein, Hospital and Contractor agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

2. **Section 5.1.** Section 5.1 to the Agreement is hereby amended restated to read in its entirety as follows:

> **"5.1 Term.** This Agreement shall become effective on September 20, 2022 (the **"Effective Date"**), and shall continue until September 30, 2026 (the **"Expiration Date"**), subject to the termination provisions of this Agreement.**"**

3. **Exhibit 1.11**. Exhibit 1.11 is hereby deleted and replaced in its entirety and incorporated by reference as attached **Exhibit 1.11**.

4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

5. **Continuing Effect of Agreement**. Except as herein provided, all of the terms and conditions of the Agreement remain in full force and effect from the Effective Date of the Agreement.

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6. **Reference**. After the date of this Amendment, any reference to the Agreement shall mean the Agreement as amended by this Amendment.

[signature page follows]

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IN WITNESS WHEREOF, Hospital and Contractor have executed this Amendment as of the day and year first written above.

CONTRACTOR

ADELHEID EBENHOECH, M.D., an individual

DocuSigned by:
A Ebenhoech
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Date: 7/23/2025 | 10:58 AM PDT

NATIVIDAD MEDICAL CENTER

_____ Date: _____

Deputy Purchasing Agent

APPROVED AS TO LEGAL PROVISIONS:

DocuSigned by:
Stacy Saetta
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Date: 7/25/2025 | 9:57 AM PDT

Stacy Saetta, Deputy County Counsel

APPROVED AS TO FISCAL PROVISIONS:

DocuSigned by:
Jennifer Forsyth
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Date: 7/28/2025 | 9:16 AM PDT

Deputy Auditor/Controller

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Exhibit 1.11

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Number:** MSP004-2 BOT Approval: 1/2023
Standard: Medical Staff (MS)	MEC Approval: 12/22 Responsible: Medical Staff Services Manager

As a member of the Medical Staff or an Advanced Practice Professional (APP) of Natividad (collectively Practitioners), you must acknowledge that the ability of Practitioners and Natividad employees to jointly deliver high quality health care depends significantly upon their ability to communicate well, collaborate effectively, and work as a team, recognizing that patients, family members, visitors, colleagues and Natividad staff members must be treated in a dignified and respectful manner at all times.

POLICY

In keeping with the accepted standards of the health care profession as evidenced by the Hippocratic Oath, the Code of Ethics of the American Medical Association (AMA) and other professional societies, and the values of Natividad, Practitioners are leaders in maintaining professional standards of behavior. In keeping with this responsibility to maintain professional standards of behavior at Natividad, Practitioners:

1. Facilitate effective patient care by consistent, active, and cooperative participation as members of the Natividad health care team.

2. Recognize the individual and independent responsibilities of all other members of the Natividad health care team and their right to independently advocate on behalf of the patient.

3. Maintain respect for the dignity and sensitivities of patients and families, as well as colleagues, Natividad employees, and all other health care professionals.

4. Participate in the Medical Staff quality assessment and peer review activities, and in organizational performance improvement activities.

5. Reflect positively upon the reputation of the health care profession, the Medical Staff, and Natividad in their language, action, attitude, and behavior.
6. Commit and contribute to the overall educational mission of Natividad and

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promote an effective, inclusive, equitable and supportive clinical learning environment.

Behaviors of Practitioners which do not meet the professional behavior standards established in this Code of Conduct (Code) shall be referred to as Disruptive or Unprofessional Behavior.

Disruptive or Unprofessional Behavior by Practitioners exhibited on the premises of Natividad, whether or not the Practitioner is on duty or functioning in his/her professional capacity, are subject to this Code.

EXAMPLES OF PROFESSIONAL BEHAVIOR

Practitioners are expected to exhibit professional behavior at Natividad, consistent with this Code, as follows:

1. Be consistently available with cooperative and timely responsiveness to appropriate requests from physicians, nurses, and all other members of the Natividad health care team in patient care and other professional responsibilities.

2. Provide for and communicate alternate coverage arrangements to assure the continuity and quality of care.

3. Demonstrate language, action, attitude, and behavior which consistently convey to patients, families, colleagues, and all other members of the Natividad health care team a sense of compassion and respect for human dignity.

4. Understand and accept individual cultural differences.

5. Maintain appropriate, timely, and legible medical record entries which enable all Natividad professionals to understand and effectively participate in a cohesive plan of management to assure continuity, quality, and efficiency of care and effective post- discharge planning and follow-up.

6. Respect the right of patients, families, or other designated surrogates to participate in an informed manner in decisions pertaining to patient care.

7. Treat patients and all persons functioning in any capacity within Natividad with courtesy, respect, and human dignity.

8. Conduct one’s practice at Natividad in a manner that will facilitate timely commencement of medical/surgical procedures at Natividad, including but not limited to, timely arrival at the hospital, pre-ordering all needed special equipment and/or supplies, and timely notification of required staff.

EXAMPLES OF DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR

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Disruptive or Unprofessional Behavior, as characterized in this Code, includes but is not limited to:

1. Misappropriation or unauthorized removal or possession of Natividad owned property.

2. Falsification of medical records, including timekeeping records and other Natividad documents.

3. Working under the influence of alcohol or illegal drugs.

4. Working under the influence of prescription or over-the-counter medications when use of such medications significantly affects the practitioner's level of cognitive functioning.

5. Possession, distribution, purchase, sale, transfer, transport, or use of illegal drugs in the workplace.

6. Possession of dangerous or unauthorized materials such as explosives, firearms, or other weapons in the workplace.

7. Writing derogatory and/or accusatory notes in the medical record which are not necessary for the provision of quality patient care services. Concerns regarding the performance of other Practitioners or Natividad employees should generate an Occurrence Report in Verge and submit pursuant to Natividad policy and should not be entered into the patient's medical record.

8. Harassment

    a. Harassment is verbal or physical contact that denigrates or shows hostility or aversion toward an individual based on race, religion, color, national origin, ancestry, age, disability, marital status, gender, sexual orientation, or any other basis protected by federal, state, or local law or ordinance, and that:

        1. Has the purpose or effect of creating an intimidating, hostile, or offensive working environment, or;

        2. Has the purpose or effect of unreasonably interfering with an individual's work performance, or;

        3. Otherwise aversely affects an individual's employment opportunity.

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b. Harassing conduct includes, but is not limited to:

1. Epithets, slurs, negative stereotyping, threatening, intimidating, or hostile acts that relate to race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation.

2. Written material or illustrations that denigrate or show hostility or aversion toward an individual or group because of race, religion, color, national origin, ancestry, age, disability, marital status, gender, or sexual orientation, and is placed on walls; bulletin boards, or elsewhere on Natividad's premises or circulated in the workplace.

9. Physical behavior that is harassing, intimidating, or threatening, from the viewpoint of the recipient, including touching, obscene or intimidating gestures, or throwing of objects.

10. Passive behaviors, such as refusing to perform assigned tasks or to answer questions, return phone calls, or pages.

11. Language that is a reasonable adult would consider to be foul, abusive, degrading, demeaning, or threatening, such as crude comments, degrading jokes or comments, yelling, or shouting at a person, or threatening violence or retribution.

12. Single incident of egregious behavior, such as an assault or other criminal act.

13. Criticism of Natividad staff in front of patients, families, or other staff.

PROCEDURE

1. Any person who functions in any capacity at Natividad who observes Practitioner language, action, attitude, or behavior which may be unprofessional, harassing, or disruptive to the provision of quality patient care services should document the incident via an Occurrence Report in Verge.

2. Identified incidents involving Practitioners shall be reviewed pursuant to the current Road Map for Handling Reports of Disruptive or Unprofessional Behavior or the County Sexual Harassment Policy, as determined by the nature of the behavior and the person who exhibits it.

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Natividad
Inspiring healthy lives

MEDICAL STAFF POLICY

Title: Practitioner Code of Conduct	**Effective:** 05/09 **Reviewed/Revised:** 12/22
Standard: MSP004-2	**Approved:** **MEC** 12/22 **BOT** 1/23

I acknowledge that I have received and read this Practitioner Code of Conduct. I acknowledge that hospitals are required to define and address disruptive and inappropriate conduct to comply with The Joint Commission standards for accreditation. I agree to adhere to the guidelines in this Code and conduct myself in a professional manner. I further understand that failure to behave in a professional fashion may result in disciplinary actions set forth in the RoadMap for Handling Reports of Disruptive or Unprofessional Behavior or as determined by the Medical Executive Committee pursuant to the Medical Staff Bylaws.

Printed name Adelheid Ebenhoech

Signature: DocuSigned by: 2DFEA8FB7DC941A... Date: 7/23/2025 | 10:58 AM PDT