

STANDARD AGREEMENT - AMENDMENT

STD 213A (Rev. 4/2020)

 CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED 26 PAGESAGREEMENT NUMBER
20-CDBGDR17-002AMENDMENT NUMBER
2Purchasing Authority Number
2240

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

CONTRACTING AGENCY NAME

Department of Housing and Community Development

CONTRACTOR NAME

SLSCO, Ltd.

2. The term of this Agreement is:

START DATE

June 21, 2021

THROUGH END DATE

June 30, 2025

3. The maximum amount of this Agreement after this Amendment is:

\$269,018,241.00 (two hundred sixty-nine million eighteen thousand two hundred and forty-one dollars and zero cents)

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

The term of this Agreement is hereby changed from June 21, 2021 through June 30, 2024 to June 21, 2021 through June 30, 2025.

The maximum amount of this Agreement is hereby changed from \$210,027,500.00 to \$269,018,241.00 to add \$53,990,741.00 for soft cost and hard cost (materials and labor) construction funding for the ReCoverCA Owner-Occupied Reconstruction (OOR) program to assist survivors of 2020 federally declared wildfire disasters and \$5,000,000.00 for hard construction funding to cover mitigation activities in the existing 2017 and 2018 ReCoverCA OOR Programs.

Exhibit A, Scope of Work, is hereby replaced in its entirety with the attached Exhibit A, Scope of Work, attached to and made a part hereof.

Exhibit B, Budget Detail and Payment Provisions, is hereby replaced in its entirety with the attached Exhibit B, Budget Detail and Payment Provisions, attached to and made a part hereof.

Additions are in bold and deletions are stricken through.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

SLSCO, Ltd.

CONTRACTOR BUSINESS ADDRESS

6702 Broadway

CITY

Galveston

STATE

TX

ZIP

77554

PRINTED NAME OF PERSON SIGNING

Matthew Tindall

TITLE

Vice President - Housing

CONTRACTOR AUTHORIZED SIGNATURE

Matthew R. Tindall

Digitally signed by Matthew R. Tindall
DN: cn=Matthew R. Tindall, o=SLS, ou=Housing, email=mtindall@slsco.com, c=US
Date: 2023.06.13 08:02:34 -05'00'

DATE SIGNED

06/13/2023

STANDARD AGREEMENT - AMENDMENT

STD 213A (Rev. 4/2020)

 CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED 26 PAGES

AGREEMENT NUMBER 20-CDBGDR17-002	AMENDMENT NUMBER 2	Purchasing Authority Number 2240
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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

Department of Housing and Community Development

CONTRACTING AGENCY ADDRESS

2020 West El Camino Blvd., Suite 130

CITY

Sacramento

STATE

CA

ZIP

95833

PRINTED NAME OF PERSON SIGNING

Jenee McClain-Battiste

TITLE

SSM II, Contracts Services Section Chief

CONTRACTING AGENCY AUTHORIZED SIGNATURE

Jenee.McClain-BattisteDigitally signed by Jenee.McClain-Battiste
Date: 2023.06.14 11:29:43 -07'00'

DATE SIGNED

06/14/2023

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

SCM Vol. 1: 4.04.A.1

EXHIBIT A

SCOPE OF WORK

1. SLSCO, Ltd., hereafter referred to as the (“Contractor”), agrees to provide to the Department of Housing and Community Development, hereafter referred to as (“HCD” or “Department”) with “Full-Service CDBG-DR Construction Management and Delivery Services” (“Work”) as described herein.
2. Work shall be provided throughout California during the hours of 8:00 am to 5:00 pm, Monday through Friday, excluding State observed holidays, as applicable.
3. The Representatives during the term of this Agreement will be:

Department of Housing and Community Development	SLSCO, Ltd.
Section/Unit: Division of Federal Financial Assistance (DFFA) Disaster Recovery Section (DRS)	Project Manager: Matt Tindall
Contract Manager: Susan Naramore Stacy Rodgers	Title: Vice President - Housing
Address: 2020 West El Camino Avenue, Suite 200 Sacramento, CA 95833	Address: 6702 Broadway Galveston, TX 77554
Phone No.: (916) 263-0371 841-6268	Phone No.: (713) 880-8411
Email: susan.naramore@hcd.ca.gov stacy.rodgers@hcd.ca.gov	Email: mtindall@slsco.com

4. Specifications and Detailed Description of Work

Overview

Contractor shall provide management and support of construction activities including possible rehabilitation, design-build reconstruction, and **Manufactured Housing Unit (MHU)** replacement services for the Owner-Occupied Rehabilitation (OOR) Program. These services could potentially expand to accommodate other future and similar housing recovery programs yet to be defined. This includes programs resulting from existing and future disasters and/or future programs through federal or state funding, or other special grants which would require the same scope of work. The Contractor shall be paid the unit cost rate as set forth in Exhibit B for all programs served.

The Contractor will be responsible for successfully managing and delivering the construction activities necessary for all projects, including entering into appropriate contracts and agreements with subcontractors and third-party vendors, disbursing funds

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to construction contractors, monitoring compliance, and completing all other activities required to close out the program. The Contractor shall coordinate with local governments, other OOR Program consultants, and HCD Division staff, including but not limited to Disaster Recovery Section (DRS), DFFA, and Codes and Standards.

The Contractor will also be responsible for working with the Homeowner Assistance Program Management Services (HAPM) contractor, which was awarded in a separate RFP (posted on January 9, 2020 and closed on January 31, 2020, contract #19-CDBGDR17-001-A). The Contractor will be responsible for implementing and integrating the Construction Management (CM) processes within the most recently available version of the OOR Program policies and procedures developed by the HAPM contractor and HCD-DRS staff.

If the other contractors or consultants are non-responsive, HCD expects to be notified within 24 hours, but no longer than 72 hours.

- A. The Contractor's responsibilities will include, but not be limited to, the following:
- 1) Maintaining a complete understanding of all applicable program policies, requirements, and protocols.
 - 2) Understanding and compliance with California Codes of Regulations, specifically Title 24 – California Building Standards Code and Title 25 – Housing and Community Development.
 - 3) Conducting the initial inspection of an applicant's damaged dwelling where a damage assessment and/or Construction SOW will be completed using the Contractor-provided industry standard residential construction cost estimating software which is inclusive of overhead and profit. HCD will not provide, own, or operate the construction cost estimating software, nor will it be housed on the HCD servers. The inspection will address all environmental on-site requirements necessary to complete the final clearance and allowance for notice to proceed.
 - 4) The Construction SOW assessment and environmental review report and clearance must be uploaded in **the applicable State-approved system of record eGrants** for task delivery to be considered complete and prior to construction commencing. HCD will review and approve these documents inclusive of grant award amount. HCD approval must be received prior to applicant construction contract signing and commencement of construction work.
 - 5) Additionally, subsequent inspections focused on payment requests for completed work for applicants participating in Solution 2, the Homeowner Managed Solution (see description in **Section 5** below), are required. The Construction Scope of Work assessment and environmental review report and clearance must be uploaded in **the applicable State-approved system of record eGrants** for task delivery to be considered complete.

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- 6) Prepare plans and design documents for the rehabilitation or reconstruction of damaged dwellings based on the Construction Scope of Work for the Solution 1, ~~Turnkey~~ **and Pathways 1 and 2** (see descriptions **in Section 5** below). **Review and approve** design plans to ensure compliance with all program, federal state and local building standards for Solution 2 projects.
 - 7) FEDERAL ENVIRONMENTAL REVIEW RECORD (ERR) - TIER II SITE SPECIFIC STATE ENVIRONMENTAL REVIEWS PER CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) The Contractor shall provide the appropriate level of review per state and federal environmental requirements. The Contractor shall ensure that all CEQA reviews are completed within the same timeframes as the HUD mandated environmental reviews. The Contractor will ensure that no construction will commence prior to associated approvals on all required environmental reports.
 - 8) LEAD-BASED PAINT – The Contractor shall be responsible for ensuring lead-based paint has been tested, properly disposed, abated, and/or cleared prior to construction starting on all projects. All lead-based paint work must comply with Federal and state regulations. See 24 CFR Part 35 Subparts B-R for further details.
 - 9) ASBESTOS-CONTAINING MATERIALS – The Contractor shall be responsible for the initial screening and inspection of the property prior to work being done to look at the potential for asbestos-containing materials. A higher-level of screening may be needed to determine extent and type of asbestos present. If any kind of renovation is being considered, structures must be inspected and standardized practices that comply with the California Division of Occupational Safety and Health (also known as Cal/OSHA) regulations must be employed if asbestos is found and will be disposed of properly.
- B. Tasks to be accomplished under this Agreement will be addressed with associated deliverables, outlined in this Exhibit A (see Section 8. Tasks and Services), performance measures, milestones, and timelines. The Contractor will be directly responsible for ensuring the accuracy, timeliness, and completion of all tasks outlined in the CM RFP Scope of Work and assigned under this Agreement. The CM Scope of Work presented here is based upon known circumstances existing currently. No amendment for time, money, and/or scope shall be authorized without an approved **Non-Competitive Bid (NCB)** Justification by the Department of General Services, Procurement Division (DGS-PD), Dispute Resolution Unit (DRU).
- C. In addition to HCD-DRS and the HAPM contractor, the CM Contractor will maintain close coordination and cooperation with HCD-DRS's Prime Grant Management Contractor (PGMC) responsible for assisting HCD-DRS with overall grant management technical assistance with the State's CDBG-DR allocations. Communication is anticipated and expected between all parties on a daily basis.

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The PGMC has been procured via a separate RFP posted on August 13, 2019 and titled "CDBG-DR Prime Grant Management Services," for the purposes of grant administration, technical assistance, developing policies and procedures, monitoring and compliance and performance and process management. The resulting contract is 19-CDBGDR-13032 A1.

5. OOB Program Solutions and Pathways

The **2017 and 2018** OOR Programs will provide eligible homeowners the choice of two (2) Solutions:

- A. SOLUTION 1. Turnkey (Full Service) solution whereby the Contractor evaluates each eligible, damaged dwelling and creates the Construction Scope of Work, then performs or contracts for all needed services-environmental reviews, lead-based paint and asbestos testing **and abatement**, construction, etc. to restore the dwelling to minimum OOR program standards as required by state and federal regulations and set forth in the most recent version of Program Policies and Procedures Manual **for 2017 and 2018 Disasters**. This solution may include a full reconstruction of the dwelling or rehabilitation depending on the state of the home. This solution will also **rehabilitate or** replace damaged MHUs, oversee demolition and/or haul away services (if necessary), site clearing, site preparation, and installation of new MHU.
- B. SOLUTION 2. Homeowner Managed Construction where the owner has already engaged a construction contractor or chooses to engage in a construction contract independently for the rehabilitation or reconstruction of their damaged dwelling. The Contractor will review applicant-provided plans, **construction contracts, and permits to ensure contractors are licensed and not debarred from receiving federal or state funds and the work in place was completed in accordance with state and local building codes.** and contractor bids to approve and ensure cost reasonableness, complete milestone inspections, and provide environmental services for the construction of the home.

The **2020** OOR Program will provide eligible homeowners the choice of two (2) pathways:

- A. **PATHWAY 1. Turnkey (Full Service) pathway whereby the Contractor evaluates each eligible, damaged dwelling and creates the Construction Scope of Work, then performs or contracts for all needed services-environmental reviews, lead-based paint and asbestos testing and abatement, construction, etc. to restore the dwelling to minimum OOR Program standards as required by state and federal regulations and set forth in the most recent version of Program Policies and Procedures Manual for 2020 Disasters. This pathway may include a full reconstruction of the dwelling or rehabilitation depending on the state of the home. This pathway will also rehabilitate or replace damaged MHUs, oversee**

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demolition and/or haul away services (if necessary), site clearing, site preparation, and installation of new MHU.

- B. PATHWAY 2. Mitigation rehabilitation pathway whereby the Contractor will evaluate each eligible dwelling to determine what building components can be added, up to the \$50,000 grant cap, that will assist with bringing the dwelling up to Wildland Urban Interface (WUI) building code or greater and create the rehabilitation Scope of Work, then perform or contract for all needed services- environmental reviews, lead-based paint and asbestos testing and abatement, rehabilitation, etc. to meet the WUI building code components or greater as set forth in state or local regulations and in the most recent version of the Owner Occupied Mitigation Program Policies and Procedures Manual for 2020 Disasters.**

6. OOR Reconstruction and Rehabilitation Scopes of Work

A. RECONSTRUCTION SCOPE OF WORK

The Contractor will be responsible for a complete reconstruction of the home, either substantially within the same footprint as the prior home or, where permitted, on a different footprint on the same property. The Scope of Work for each reconstructed structure will vary but may include, although not be limited to, the following:

- 1) **Obtaining all necessary state and local permits and approvals prior to commencement of the work for each structure;**
- 2) **Tier 2 Environmental reviews;**
- 3) Coordination with the property owner and his/her family from issuance of a work order to obtaining a certificate of occupancy for closing;
- 4) Utility disconnection and deactivation/reconnection and reactivation;
- 5) Demolition of existing structure;
- 6) Debris removal in accordance with all federal, state and local requirements, including all abatement needs. This can include removal of burned trees;
- 7) Providing architectural and house plan renderings, as well as engineering and architectural services;
- 8) Site preparation including fencing removal and replacement;
- 9) Construction of new residential structures in accordance with all applicable local and state, federal, codes and standards **and Program Policies and Procedures, including fire mitigation measures;**
- 10) **Specialty construction elements associated with historic properties,**

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- 11) **Specialty construction elements associated with Green Building Construction techniques (as required by California Building Code and HUD);**
- 12) Accessibility and design of projects to comply with the American with Disabilities Act of 1990 (if applicable) unless a HUD exception applies;
- 13) If necessary, a California Licensed construction General Contractor (GC) will be prepared to assess abatement needs and do any required abatement on existing structures on the project. GC will work with CM on any demolition abatement work to assess whether the full structure should be demolished pursuant to hazardous waste requirements or if only certain sections of the demolished structure should follow hazardous waste requirements. Survey certificate requirements when applicable; and
- 14) Lead, asbestos, radon, and other environmental services, where applicable.

B. REHABILITATION SCOPE OF WORK

It is anticipated that structures eligible for rehabilitation will require an array of repairs ranging from minor to major. The scope of work for each repaired structure will vary, but may include, although not be limited to, the following:

- 1) Obtaining all necessary state and local permits and approvals prior to commencement of the work for each structure;
- 2) Tier 2 Environmental reviews;
- 3) Demolition of damaged interior and exterior materials;
- 4) Foundation leveling, repair, excavation;
- 5) Structural damage repair;
- 6) Building envelope repair, including:
 - a) Roof repair or replacement and addressing any attendant damage, including to shingles, gutters, and shutters
 - b) Door and window replacement/repair, or removal
 - c) Siding/veneer repair or replacement, or removal
 - d) Mechanical (HVAC), replacement of electrical (including panels) and plumbing systems repair, reconfigure, and replacement of drywall repair or replacement;
 - e) Rough and trim carpentry;
- 7) Surface preparation and painting;
- 8) Flooring repair, replacement/removal;
- 9) Cabinet and appliance repair or replacement;
- 10) Lead-based paint, asbestos and other environmental abatement;

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- 11) Specialty construction elements associated with historic properties,
- 12) ~~Wind~~ **Fire** mitigation and retrofitting measures;
- 13) Specialty construction elements associated with Green Building Construction techniques (as required by **California Building Code and HUD**);
- 14) Accessibility and design of projects to comply with the American with Disabilities Act of 1990 (if applicable)
- 15) Conducting close-outs for each project, which includes obtaining certificate(s) of occupancy from applicable state and local authorities; and
- 16) Survey certificate requirements when applicable.

C. MHU Acquisition, Delivery and Installation Services

- 1) Based on a scope that meets homeowner needs, provide OOR Program applicants options, as determined by HCD and communicated to Contractor, for two (2), three (3), and four (4)-bedroom MHUs, to be used under Solution 1 **or Pathway 1**, ~~the Turnkey Solution~~. MHU options must have alternatives to ensure ADA compliance and meet the California Building Standards Code. Plans must also have Chapter 7A alternatives to meet Wildland-Urban Interface (WUI) building codes for ignition resistant construction in California's Fire Hazard Severity Zones.
- 2) Provide labor to carry out acquisition, delivery, and install services for replacement MHUs from the manufacturer or staging area to the site of installation. This includes ensuring all required Department of Transportation hauling permits are obtained by the hauler.
- 3) Provide the capacity and resources to ensure compliance with the Americans with Disabilities Act (ADA), meeting California Building Standards Code, Chapter 7A for Wildland-Urban Interface (WUI) for ignition resistant construction; and local building and zoning codes.
- 4) Manage and monitor all tiers of subcontractors.

Ensure all staff and subcontractors know and enforce all applicable California Building Standards Code requirements and program policies required by HCD, local jurisdictions, and/or HUD.

7. Contractor's General Requirements for All Solutions

- A. The Contractor will work with the HAPM contractor's case managers to explain homeowner's options regarding the two or three available solutions, so that the homeowner may make an informed decision as to which solution to pursue. The solutions outlined above will be detailed in the OOR **Program** policies and

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- procedures, (to be provided by HCD-DRS) and HCD-DRS will oversee the decision process.
- B. The Contractor must ensure all staff and subcontractors know and enforce housing policies required by HCD-DRS's OOR Program and HUD (including, but not limited to, those addressing MHUs, minimum standards, mold remediation, lead-based paint, asbestos, Wildland Urban-Interface (WUI) code requirements of the California Building Code - Title 24, Chapter 7A, floodplain requirements, etc.). The CM Contractor must also both ensure and document compliance with these requirements.
 - C. The Contractor shall conduct criminal background checks for all personnel to be utilized for the program and ensure that only those who can successfully pass said checks are engaged on the project.
 - D. The Contractor shall provide all staff who interface directly with homeowners and subcontractors working outside of established program offices with identification, including a standard color collared shirt and photo identification provided by HCD. The words: 'ReCoverCA Program' and 'Contractor' are required to be clearly visible on both the shirt and photo identification badges, which shall be designed to discourage and reduce chances of counterfeiting.
 - E. All Contractor staff and subcontractors meeting with homeowners must possess and present at all times approved work orders showing authorization to survey and conduct work on their homes. Work orders must clearly identify the Construction Scope of Work and anticipated timelines for work completion as the CM Contractor must also provide documentation to the homeowner explaining the rights of the homeowner throughout the construction process.
 - F. The Contractor will follow the HAPM's escalation and resolution protocol for any homeowner issue resulting from contract operations and engagement and shall keep HCD informed as to the progress of all complaints.
 - G. The Contractor will report to the HCD Contract Manager and HCD DRS ~~Section~~ **Branch** Chief any evidence of fraud or potential criminal activity by the homeowner as soon as possible but no later than two (2) workdays from discovery.
 - H. HCD expects the Contractor to provide competent and qualified staff to work on the scope of services under this Agreement. HCD reserves the right to prohibit unqualified or incompetent staff of the Contractor from assisting with the implementation and administration of the program(s). No key personnel may be assigned to this Agreement without HCD's written consent. The Contractor will be paid at the unit rate listed in Exhibit B for all milestones completed. The Contractor will be required to coordinate with HCD on staffing during recognized State and Contractor holidays.

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- I. All members of the CM Contractor's team performing construction work and/or running construction crews must be licensed as either Class "B" or Class "C", as appropriate for the work being performed, by the California Contractors State License Board (CSLB).

8. Tasks and Services

This section provides a detailed list of tasks and services the Contractor will be responsible for providing under this Agreement. The Contractor will be responsible for entering information and uploading documents related to these tasks **in the applicable State-approved system of record, eGrants**, on a daily basis. At the direction of the State Program Manager (SPM) or designee, the Contractor will be responsible for performing the tasks identified below which may include, but are not limited to, the following:

- A. Task 1 – Administrative Requirements
- B. Task 2 – Operational Requirements
 - 2.1. Design Review and Approval
 - 2.2. MHU Repairs, Site Preparation, and MHU Installation
 - 2.3. Inspections and Construction Scope of Work
 - 2.4. Environmental Review Requirements
 - 2.5. Inspectors and Estimators
- C. Task 3 – Close-Out
 - 3.1. Final File Disposition/Inspections of Construction Complete
 - 3.2. Record Keeping
- D. Task 4 – Reporting
 - 4.1. Progress Reporting – Weekly and Monthly
 - 4.2. Deliverables

A. Task 1: Administrative Requirements

- 1) Complete the hiring of at least 40% of the personnel (including personnel of subcontractors) within thirty (30) days of the Effective Date required to operate the programs. All contractors are required to comply with all state and federal labor wage requirements.
- 2) Enter into contracts with all subcontractors required to operate the program within thirty (30) business days of the Effective Date of this Agreement. All contracts must adhere to federal procurement standards.
- 3) Prepare all electronic documents with necessary privacy protections that are AB 434 (Assembly Bill No. 434 (2017-2018 Reg. Sess.) §1) (State Web Accessibility) and Section 508 (of the Rehabilitation Act) compliant.

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- 4) Within the full program policies and procedures manual (to be provided by HCD-DRS), provide guidance and direction to be included in the policies and procedures for:
 - a) Determining Construction Scope of Work required for construction completion (in coordination with the HAPM contractor),
 - b) Approval of plans to ensure reconstructions meet all program design standards (Homeowner-Managed Construction Solution 2),
 - c) Procedure for construction inspections management and oversight,
 - d) State the industry standard residential construction cost estimating software being utilized, to ensure standard grade costs are being used, for the Construction Scope of Work,
 - e) **Program Minimum Design Standards**, and
 - f) Procedures for construction closeout.
 - 5) At the request of HCD/HCD-DRS, make senior managers of the Contractor and subcontractor firms available for media interviews, meetings with federal officials, and other necessary external meetings, each instance of which must be requested by and/or approved by a designated representative of HCD.
 - 6) Any other unforeseen tasks deemed mission-critical by HCD.
 - 7) Contractor must use ~~eGrants~~ **the applicable State-approved system of record to** implement and operate the Construction, Design-Build, Management Services for the program. Use of the system will include but is not limited to data entry, uploading documents, and tracking project progress ~~using eGrants~~.
 - 8) Contractor must set up a profile in and use Grants Network (Grant Management System) to manage this Agreement and submit invoices for payment **and monthly activity reports**. HCD will provide training to Contractor on this system.
- B. Task 2: Operational Requirements
- 2.1. Design Review and Approval
- 1) Approval of design plans for rehabilitation and reconstruction to ensure compliance with all Program, federal, state, and local building standards and requirements.

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- 2) Provide design plans for two, three, and four-bedroom homes to be used under **2017/2018** Solution 1 **and 2020 Pathway 1**. Plans must have alternatives to ensure ADA compliance and meet the California Building Standards Code. Plans must also have California Building Standards Code, Title 24, Chapter 7A listed building alternatives to meet Wildland-Urban Interface (WUI) building codes requirements for ignition resistant construction.
- 3) Provide a team of licensed, bonded, and insured contractors to provide construction services for those applicants who choose Solution 1 or 2.
- 4) Provide the industry standard residential construction cost estimating software.
- 5) Subcontract with entities that have experience and expertise working with MHUs. This experience should include, but not be limited to site preparation, installation of new, compliant MHUs, and all site work and compliance with local codes and permitting requirements.
- 6) Oversee program operations and administration related to the construction management services to meet the performance measures, and timelines prescribed for all program solutions.
- 7) Provide status reports to HCD that reflect the major activities for the reporting period as specified by HCD-DRS for internal reporting related to project milestones and HUD-related reporting (e.g. monthly, quarterly).
- 8) Communicate proposed quality assurance/quality control procedures and potential program risks, issues, statuses, recommendations, and resolutions to HCD.
- 9) Scale staff to efficiently run the Program.
- 10) Coordinate with HCD-DRS and other external entities, to conduct research and provide information related to the program.

2.2. MHU Repairs, Site Preparation, and MHU Installation

- 1) Obtain all permits for demolition, if applicable, and setting of the new MHU unit (including any separately filed permits for applicable site work) and supply copies of progress reports and issuance of certificate of occupancy to the HAPM contractor.
- 2) Provide rehabilitation services for MHUs that qualify under the Program.

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- 3) Prepare the site to allow for the installation of the new unit. Site work will include the removal of any obstructive landscaping, leveling of site, fill, or drainage modifications (including the installation of a driveway culvert, drainpipe and/or apron if required for the permit).
- 4) Perform installation and immobilization services for the MHU following delivery including, but not limited, to repairing or replacing footings, perimeter supports, piers, anchoring and skirting, completing stairs and landings (or handicap accessible ramps as required), handrails, guardrails, and connection to all utilities. All installation and immobilization services must be in accordance with HUD MHU Home Installation Standards as required by 24 CFR Part 3285 and follow any more restrictive requirements that may be detailed by state or local building codes or specific park locations.
- 5) Install air conditioning systems (type of air conditioning system is to be determined).
- 6) Include re-grading of driveway and installation of new gravel as needed from apron to unit, and
- 7) MHU Specifications:
The selected Contractor shall provide single-wide, double-wide, and triple-wide MHUs with the following specifications:
 - a) General
 - Compliance with Title 24, Code of Federal Regulations, Part 3280 – Manufactured Home Construction and Safety Standards. All MHUs shall also be in compliance with any state or local building codes that exceed Federal requirements for MHU unit construction, including Wildland-Urban Interface codes in the California Code of Regulations, Title 25m Article 2.3. (<https://www.hcd.ca.gov/building-standards/state-housing-law/wildland-urban-interface.shtml>)
 - Provide single-wide, double-wide and triple-wide units
 - Option for units compliant with American Disabilities Act may be required including, but not limited to, (wheelchair accessible doorways, kitchen and bathroom(s)).
 - b) Floor
 - Living room/bedrooms: Carpet
 - Kitchen/bathrooms: Vinyl
 - c) Exterior
 - Siding material: Wildland-Urban Interface (WUI)-compliant material

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- Sheathing: Standard Grade but must meet WUI standards if different than standard grade.
 - Color: Factory Select or per site specifications as required.
 - Shutters: None
- d) Windows and Doors
- Windows: Windows and storm windows that meet HUD's Thermal Zone 2 requirements
 - Front Door: Doors that meet HUD's Thermal Zone 2 requirements w/ storm
 - Rear Door: Out swing door that meets HUD's Thermal Zone 2 requirements
- e) Roof/Ceiling
- Roof material: Minimum 20-year shingles
 - Insulation: Blown cellulose or fiberglass batting
 - Ceiling slope: Flat
- f) Plumbing
- Kitchen sink: Drop-in stainless-steel double bowl
 - Bathroom sinks: Standard Grade
 - Faucets: Standard Grade
 - Water heater: Electric
- g) HVAC
- Heat: Electric with a gas option
 - Air Conditioning (AC): Provide option for external electrical circuit for condensing unit (if being provided by the Program, installation of the AC system will be provided by the CM Contractor).
- h) Electrical
- Load Center: 200-amp service, but 100 amp will be allowed when gas option ordered – gas range and gas furnace.
 - Interior Receptacles and Switches: White/factory select
 - Phone Jack: None
 - AC: Conduit
- i) Interior Features/Appliances
- Cabinets: Medium-Density Fiberboard
 - Countertops: Formica
 - Backsplash: None
 - Refrigerator: 20 cu. ft. minimum
 - Range: Electric (Gas Optional)
 - Range hood: 30"-wide hood

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- j) Thermal
 - Doors, windows, and insulation that meets the Thermal Zone II requirements.
- k) Fire Safety
 - An interior Fire Sprinkler System that meets the California Code of Regulations, Title 25, § 4302 (1).
 - Meet Wildland-Urban Interface (WUI) standards for ignition resistant construction in California's Fire Hazard Severity Zones

2.3. Inspections and Construction Scope of Work

HCD anticipates the following inspections will be required, at a minimum:

- 1) Initial damage inspection: Involves the initial inspection of an applicant's damaged dwelling where a damage assessment and/or complete Construction Scope of Work will be completed using web-based, industry standard residential construction cost estimating software. The inspection should also address all environmental on-site requirements necessary to complete the final clearance and allowance for notice to proceed. The Construction Scope of Work and environmental review report and clearance must be uploaded into **the applicable State-approved system of record eGrants** for task delivery to be considered complete. The CM Contractor shall complete the first initial damage inspection within sixty (60) calendar days of the start date of this Agreement. All subsequent initial damage inspections shall be completed within thirty (30) calendar days of the order date.
- 2) Plan/Design Review: Review and approval of the plans/design documents for the reconstruction or rehabilitation **(if needed)** under Solutions 1, **Solution 2, Pathway 1 and Pathway 2 (if needed)**. The CM Contractor shall complete and receive approval of the plans/design documents for reconstruction or rehabilitation within sixty (60) calendar days of completion of the initial damage inspection.
- 3) Construction Inspections: Subsequent inspections focused on the contractual draw requests for applicants participating in Solution 1 or **Solution 2, Pathway 1 or Pathway 2** are required. The inspection schedule is based on the Solution/**Pathway** and construction schedules. All inspections will be paid out at the unit rate identified in Exhibit B.
- 4) Final Inspections: **CM conducts** final inspections for all Solution 1, **Solution 2, Pathway 1 and Pathway 2** rehabilitation and reconstruction projects when construction has been completed. **CM** schedules post-installation final inspections for MHUs with HCD-DRS.

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2.4. Environmental Review Requirements

- 1) Complete federal Tier II site-specific environmental reviews (Tier II) for each project. The Contractor shall ensure that all CEQA reviews are completed within the same timeframes as the HUD mandated environmental reviews.**
- 2) Contractor and/or its subcontractors shall provide an archaeology sensitivity model in Butte County and Lake County to expedite the State Historic Preservation Office (SHPO) consultation as required for the Tier II.**
- 3) Contractor and/or its subcontractors shall provide federal environmental subject matter expertise to support development of the Program's revised Tier 1 environmental assessment, SHPO programmatic agreement, SHPO and tribal consultation templates, and coordination with SHPO and tribal outreach, as needed.**
- 4) For each Tier II, Contractor and/or its subcontractors shall assign a Secretary of the Interior-qualified professional archaeologist to prepare and verify the level of effort and documentation to obtain Section 106 compliance. This may include evaluating the physical site location or using inspection report data or public records to complete an assessment of the parcel's architectural history and archaeology and responding to questions asked by SHPO, HCD or other stakeholders on the submitted documentation.**
- 5) For each Tier II, Contractor and/or its subcontractor shall assign a qualified professional biologist to prepare and verify the level of effort and documentation required to obtain compliance with federal and state threatened and endangered species review requirements. This may include accessing and reviewing the Information for Planning and Consultation (IPaC), California Natural Diversity (CNDDB) and/or California Native Plant Society (CNPS) databases to complete an assessment of the parcel's potential effect on state and federally protected species, developing mitigation efforts if needed, and responding to questions asked by HCD or other stakeholders on the submitted assessment.**
- 6) Submit completed Tier IIs to HCD for Certifying Officer approval and sign off. Make any necessary revisions to the Tier IIs as required by the Certifying Officer. The Contractor will ensure that no construction will commence prior to associated approvals on all required environmental reports.**

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2.5. Construction Warranty

In accordance with California Civil Code 900, a builder shall provide a homebuyer with a minimum one-year express written limited warranty covering the fit and finish of the following building components:

- Cabinets
- Mirrors
- Flooring
- Interior and Exterior Walls
- Countertops
- Paint Finishes
- Trim

Building contractors for ~~both~~ Solution 1, ~~and~~ Solution 2, **Pathway 1, and Pathway 2** projects must provide all express warranties prior to the inspector signing a final inspection form. Photographs of the construction work must be taken for documentation purposes. Homeowners must be provided with a warranty information binder detailing building warranties. Homeowners must also be provided instruction booklets and information for warranted items, such as appliances, that are not the Contractor's responsibility. The homeowner will be asked to sign an acknowledgement form indicating that they have reviewed warranties with their building contractor.

2.5 Environmental Review Requirements

- 1) Complete HUD mandated Environmental Reviews per 24 CFR Part 58, for the OOR Program.
- 2) The CM Contractor will provide Tier II reviews as appropriate. (A Tier II Site Specific Review for Properties is also referred to in this document as a Tier II review). The CM Contractor shall ensure that all Tier II reviews are completed within forty-five (45) calendar days or less from the time the Tier II review is ordered unless agreed to by HCD and the CM Contractor. HCD has begun the Tier I process for the OOR Program and anticipates the NEPA Tier 1 environmental reviews will be complete when the CM Contractor is brought on board.
- 3) Complete State-mandated Environmental Reviews per California Environmental Quality Act (CEQA), for the ReCoverCA OOR Program (unless projects are determined to be exempt by HCD-DRS). The CM Contractor will provide the appropriate level of review as needed for the program. The CM Contractor shall, if applicable, ensure that all CEQA reviews are completed within the same timeframes as the HUD mandated environmental review. The expectation is that both reviews will be completed concurrently. For more information see: <http://opr.ca.gov/clearinghouse/ceqa/> Assist in the Coordination with

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oversight/regulatory agencies etc. for permits and/or compliance resolution. The Contractor shall consult with all required reviewers and agencies regarding the receipt of all necessary documents and permits for compliance. This shall include liaison to resolve HUD Section 106 review and requirements between the homeowner, the State Historic Preservation Office (SHPO) and the California Native American Commission (NAHC) as needed.

<https://www.ca.gov/agency/?item=Native-American-Heritage-Commission>

- 4) Perform lead-based paint inspections and risk assessment when required.
- 5) Complete initial screening and inspection of the property prior to work being done to look at the potential for asbestos containing materials. A higher-level of screening may be needed to determine extent and type of asbestos present. If any kind of renovation is being considered, structures must be inspected and standardized practices that comply with the Cal/OSHA regulations must be employed if asbestos is found that may be disbursed into the air. Make certain that contract specifications and documents address these practices and include inspection, testing, removal and final clearance procedures that meet or exceed applicable health codes. The regulatory requirements apply to worker exposure to asbestos, procedures for abating asbestos when a building undergoes rehabilitation and disposal of asbestos containing materials.
- 6) The Contractor shall coordinate and consult with, follow all guidance provided by, and report regularly to, HCD-DRS and HUD environmental officials. Reporting requirements shall be completed on a monthly basis by the Contractor. This monthly report shall detail the status of each work order, showing the percent complete and any outstanding items.
- 7) Liaise with agencies as necessary to facilitate environmental reviews.
- 8) Any other job duty that relates to 24 CFR Part 58 HUD Environmental or CEQA requirements.

2.6. Inspectors and Estimators

- 1) Inspectors and/or estimators will develop, using both the web-based construction job analysis and cost estimator software and the OOR Program policies and procedures, the repair and reconstruction scope of work and cost estimate for each damaged dwelling. The CM Contractor will provide a web-based construction job analysis and industry-standard cost estimation software, and the CM Contractor, HAPM contractor, and HCD-DRS will mutually agree to all optional and site-specific factors. The Contractor, HAPM contractor, and HCD-DRS will also mutually agree on reasonable timelines for initiating and completing work within OOR Program requirements.

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- 2) Coordination with the HAPM contractor, and specifically case managers, to explain to the homeowner, **if needed**, what ~~damages are~~ **work is** eligible for the Program. The CM Contractor shall coordinate with the case managers to obtain all necessary documentation, **as defined by HCD, as evidence of** ~~which may include pre-construction pictures demonstrating the 2017, 2018, or additional years as HCD defines for disaster related damages.~~ **Any damages identified will be included in the Estimated Cost to Repair (ECR), which is used to determine the construction pathway and associated Scope of Work.** ~~and the pre-construction condition of elements identified for inclusion in the proposed Construction Scope of Work.~~
- 3) The CM Contractor shall coordinate with the homeowner and case manager to conduct a pre-award site **initial** inspection of each damaged dwelling for purposes of completing a damage assessment. This assessment will determine the cost to rebuild (square footage assessment) or ~~to the ECR the damaged dwelling~~ for use in the Construction Scope of Work to restore the home to the HCD-DRS approved standards. **The initial inspection combined with the ECR is used by the program to determine the approved construction pathway.** Estimates shall be developed using the web-based construction job analysis and cost estimating software, which will provide the maximum Construction Scope of Work calculation. The CM Contractor will then monitor construction efforts and certify that work that was done was within the approved parameters of the Construction Scope of Work.
- 4) Track and record GPS coordinates for all inspections.
- 5) Complete turnkey construction services for Solution 1, **Pathway 1, and Pathway 2 Projects** including construction contractor selection, construction inspections, and contractor oversight throughout the construction process.
- 6) Provide construction advisory services to homeowners (Solution 2) including but not limited to: Pre-bid meeting; construction contractor solution; review and approval of bids; provide template contracts; draw inspections and sign-off of completed work.

C. Task 3 – Close Out

3.1. Final File Disposition/Inspections of Completed Construction

Completion of the following for all Solution 1 and 2 projects:

- 1) Certificate of occupancy;
 - a. Solution 1/**Pathway 1/Pathway 2**: CM Contractor completes the project to certificate of occupancy, including all construction management and

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general contractor activities necessary to complete the project for household occupancy.

- b. Solution 2: CM Contractor confirms, in the role of construction manager, that the general contractor hired by the homeowner, or the homeowner acting as an owner-builder as defined by the California State License Board has completed the project to certificate of occupancy.
- 2) Final NEPA Environment Review Record, the written environmental review record or file, clearance and CEQA clearance as outlined in section 2.4 (if required);
- 3) Verify passing of state and local permit inspections;
- 4) Homeowner repair/reconstruction warranty execution; and
- 5) Homeowner and/or HCD Section Chief or above certification that work is complete per applicant construction contract.

The CM Contractor may bill for this unit along with the agreed fee based on the Construction Scope of Work once all of the following is completed: the completion of the construction work, homeowner approval of all work, the Certificate of Occupancy has been received and filed with the Program, and the national objective has been met.

3.2. Record Keeping

During all phases of the project, the CM Contractor shall maintain copies of all documents and construction reviews. The project files must be well organized and indexed for easy access. These documents consist of:

- 1) Studies
- 2) Formal design submissions
- 3) Corresponding design review reports
- 4) Minutes from formal design meetings
- 5) Final cost estimate
- 6) Modifications to the Construction Scope of Work
- 7) Documentation of clarifications and decisions
- 8) General Correspondence
- 9) Other records and documents as required by HUD for CDBG-DR funded projects, and other records in a format and storage location acceptable to HCD for a duration of time that is compliant with CDBG requirements.

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D. Task 4 – Reporting

4.1. Progress Reporting- Weekly and Monthly

An executive summary prepared by the CM Contractor, consisting of a one-page overview of the week's progress.

- 1) Create reports to track performance, inventory, staffing levels and status of homeowners throughout the construction process.
- 2) Create charts and maps of designated areas as requested by HCD-DRS.
- 3) Summary of the week's major milestones (planned and actual).
- 4) A cost summary, covering base contracts, contract modifications, claims, and other cost issues.
- 5) Critical issues or synopsis of important problems and issues HCD-DRS should be made aware of.
- 6) Minutes of meetings held during the week.

Monthly progress reports shall describe and summarize the activities and progress of the month, highlighting areas of concern, and making recommendations for corrective action. These reports must include:

- 1) Master project schedule, with updates and revisions.
- 2) Key milestones, including a discussion of issues affecting the schedule.
- 3) Work-in-place, or percentage of construction planned and actual.
- 4) Monthly cost status, including contract modification and claims summaries.
- 5) Inspection report, including deficiencies identified and status of corrective actions.
- 6) Significant issues, problems and questions resolved and pending, including recommendations for resolution.
- 7) Monthly progress photos.
- 8) A look ahead to next month's activities.
- 9) Other related information as requested or required by HUD or HCD.

4.2. Deliverables

- 1) The CM Contractor shall work with HCD-DRS management and HCD's PGMC consultant to determine which metrics shall be measured and monitored for adequate Agreement performance. The Contractor should also develop processes and systems for routinely measuring and reporting deliverables and evaluation results. These processes should also include

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goal setting and process improvement to foster a continuous evaluation and improvement of environment.

- 2) FEDERAL ENVIRONMENTAL REVIEW RECORD (ERR) - Tier II Site-Specific environmental review, completion of the Tier II report includes all travel costs, travel time and other expenses. See 24 CFR Part 58, Subparts D and E for further details.
- 3) STATE ENVIRONMENTAL REVIEWS PER CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) - The Contractor will provide the appropriate level of review as needed (unless determined exempt by HCD-DRS). The Contractor shall ensure that all CEQA reviews are completed within the same timeframes as the HUD mandated environmental reviews. The expectation is that both reviews will be completed concurrently. For more information see: <http://opr.ca.gov/clearinghouse/ceqa/>
- 4) LEAD-BASED PAINT - The CM Contractor will be responsible for ensuring lead-based paint has been tested, properly disposed, abated, and/or cleared prior to construction starting on all projects. See 24 CFR Part 35 Subparts B-R for further details.
- 5) ASBESTOS-CONTAINING MATERIALS - The CM Contractor will be responsible for the initial screening and inspection of the property prior to work being done to look at the potential for asbestos-containing materials. A higher-level of screening may be needed to determine extent and type of asbestos present. If any kind of renovation is being considered, structures must be inspected and standardized practices that comply with Cal/OSHA regulations must be employed if asbestos is found and is to be disposed of properly.

9. Effective Date and Term

This Agreement is effective upon the Department of General Services (DGS) approval **June 21, 2021 through June 30, 2025** ("Effective Date") and will last three (3) years from such Effective Date, with six (6) **(5) five** optional one (1) year extensions, not to exceed a total of nine (9) years. Upon approved NCB Justification by DGS-PD, DRU and the approval of the State Program Manager, the Contract Manager may exercise the optional years in varying increments at the same rates as submitted in response to the RFP, with the final contract amendment approval by DGS. So, for example, the Contract Manager may choose to extend the term of this Agreement by two or four years, etc. No services shall be provided before approval by ~~HCD~~ **DGS**, or after the termination date.

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BUDGET DETAIL AND PAYMENT PROVISIONS

1. Agreement Amount

The total amount of this Agreement shall not exceed ~~\$210,027,500.00~~ **\$269,018,241.00**.

2. Budget Detail

COST YEARS 1-3

Per Grant Award (Unit) Cost - Quantities and contract values will vary depending on program conditions and available funds.			
	Quantity	Unit Rate	Total Cost
Initial Home Inspection and Estimate	1,500 1,824	\$1,500.00 \$1,800.00	\$2,250,000.00 \$3,283,200.00
Labor costs for: Conventional Construction Design-Build, Acquisition Services for Replacement MHU's including Site preparation, Installation, and Construction Management (includes Installation Management)	1,500 1,824	\$28,000.00	\$42,000,000.00 \$51,072,000.00
Construction Hard Costs (materials and labor)**	1	\$162,400,000.00 \$203,119,956.00	\$162,400,000.00 \$208,389,956.00
Interim and Final Inspections	1,500 2,645	\$485.00 \$750.00	\$727,500.00 \$1,983,750.00
Tier 2 Environmental Review – Solution 1 or 2 applications within archaeology sensitivity model	1,500 800	\$1,500.00 \$1,600.00	\$2,250,000.00 \$1,280,000.00
Tier 2 Environmental Review - Solution 1 applications outside of Archaeology Sensitivity Model, not in Mobile Home Parks and/or outside original footprint	500	\$2,100.00	\$1,050,000.00
Tier 2 Environmental Review - Solution 1 applications outside of Archaeology Sensitivity Model, in Mobile Home Parks and/or inside original footprint	400	\$1,300.00	\$520,000.00
Tier 2 Environmental Review – Solution 1 applications relocating to new parcel	160	\$2,900.00	\$464,000.00
Archaeology Sensitivity Model (Butte and Lake)	2	\$21,280.00	\$42,560.00
Section 106 Support	300	\$218.00	\$65,400.00
Threatened/Endangered Species Support	300	\$218.00	\$65,400.00

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Subject Matter Expert Support	350	\$148.50	\$51,975.00
Lead-Based Paint Test and Inspection	200 375	\$1,000.00	\$200,000.00 \$375,000.00
Asbestos Test and Inspection	200 375	\$1,000.00	\$200,000.00 \$375,000.00
YEARS 1-3 TOTAL COST*		\$162,433,485.00	\$210,027,500.00 \$269,018,241.00

*This is an all-inclusive contract. HCD will not reimburse for any travel or other direct costs.

**Administrative costs will not be billed against this line item.

No amendment for time, money, and/or scope shall be authorized without an approved NCB Justification by Department of General Services Procurement Division (DGS-PD), Dispute Resolution Unit (DRU).

UPON APPROVED NCB AMENDMENT, YEARS 4-6 SHALL BE AT THE RATES OUTLINED BELOW, NOT EXCEED ~~\$50,010,000.00~~ \$62,994,050.00.

Per Grant Award (Unit) Cost - Quantities and contract values will vary depending on program conditions and available funds.			
	Quantity	Unit Rate	Total Cost
Initial Home Inspection and Estimate	1,500 1,824	\$1,500.00 \$1,800.00	\$2,362,500.00 \$3,283,200.00
Labor costs for: Conventional Construction Design-Build, Acquisition Services for Replacement MHU's including Site preparation, Installation, and Construction Management (includes Installation Management)	1,500 1,824	\$29,400.00	\$44,100,000.00 \$53,625,600.00
Interim and Final Inspections	1,500 2,645	\$485.00 \$750.00	\$727,500.00 \$1,983,750.00
Tier 2 Environmental Review – Solution 1 or 2 applications within archaeology sensitivity model	1,500 800	\$1,500.00 \$1,600.00	\$2,250,000.00 \$1,280,000.00
Tier 2 Environmental Review - Solution 1 applications outside of Archaeology Sensitivity Model, not in Mobile Home Parks and/or outside original footprint	500	\$2,100.00	\$1,050,000.00
Tier 2 Environmental Review - Solution 1 applications outside of Archaeology Sensitivity Model, in Mobile Home Parks and/or inside original footprint	400	\$1,300.00	\$520,000.00
Tier 2 Environmental Review – Solution 1 applications relocating to new parcel	160	\$2,900.00	\$464,000.00

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Lead-Based Paint Test and Inspection	200 375	\$1,050.00	\$210,000.00 \$393,750.00
Asbestos Test and Inspection	200 375	\$1,050.00	\$210,000.00 \$393,750.00
YEARS 4-6 TOTAL COST*		\$35,160.00	\$50,010,000.00 \$62,994,050.00

*This is an all-inclusive contract. HCD will not reimburse for any travel or other direct costs.

UPON APPROVED NCB AMENDMENT, YEARS 7-9 SHALL BE AT THE RATES OUTLINED BELOW, NOT TO EXCEED ~~\$52,550,000.00~~ \$65,807,550.00

Per Grant Award (Unit) Cost - Quantities and contract values will vary depending on program conditions and available funds.			
	Quantity	Unit Rate	Total Cost
Initial Home Inspection and Estimate	1,500 1,824	\$1,650.00 \$1,800.00	\$2,475,000.00 \$3,283,200.00
Labor costs for: Conventional Construction Design-Build, Acquisition Services for Replacement MHU's including Site preparation, Installation, and Construction Management (includes Installation Management)	1,500 1,824	\$30,900.00	\$46,350,000.00 \$56,361,600.00
Interim and Final Inspections	1,500 2,645	\$540.00 \$750.00	\$810,000.00 \$1,983,750.00
Tier 2 Environmental Review – Solution 1 or 2 applications within archaeology sensitivity model	1,500 800	\$1,650.00	\$2,475,000.00 \$1,320,000.00
Tier 2 Environmental Review - Solution 1 applications outside of Archaeology Sensitivity Model, not in Mobile Home Parks and/or outside original footprint	500	\$2,100.00	\$1,050,000.00
Tier 2 Environmental Review - Solution 1 applications outside of Archaeology Sensitivity Model, in Mobile Home Parks and/or inside original footprint	400	\$1,300.00	\$520,000.00
Tier 2 Environmental Review – Solution 1 applications relocating to new parcel	160	\$2,900.00	\$464,000.00
Lead-Based Paint Test and Inspection	200 375	\$1,100.00	\$220,000.00 \$412,500.00
Asbestos Test and Inspection	200 375	\$1,100.00	\$220,000.00 \$412,500.00
YEARS 7-9 TOTAL COST*		\$36,940.00	\$52,550,000.00 \$65,807,550.00

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*This is an all-inclusive contract. HCD will not reimburse for any travel or other direct costs.

3. Invoicing and Payment

- A. Contractor shall invoice on a unit basis, with the total of all invoices not to exceed the amounts shown above.
- B. Contractor shall submit invoices in arrears either on a bi-weekly or monthly interval.
- C. For services satisfactorily rendered, and upon receipt and approval of the invoices, HCD agrees to compensate the Contractor the invoiced amount.
- D. Invoices must include this Agreement number and a Purchase Order number. The Purchase Order number will be provided at a later time by the Contract Manager. A handwritten Agreement number is not acceptable.
- E. Invoices Submission for Contracts Managed Through Grants Network:
 - 1) The Contractor must set up an account in the Grants Network system at www.gn.ecivis.com. The program link will be provided after this Agreement is executed.
 - 2) Invoices shall be submitted through the Contractor's Grant Network account and will include all supporting documentation as an upload in the Financial Report (i.e. reimbursement request).
 - 3) Supporting documentation must include:
 - a) Invoice summary which includes:
 - Performance period,
 - Contract number,
 - Purchase Order number, and
 - The total amount being invoiced.
 - b) A clear crosswalk of deliverables/accomplishments for which work is being billed, with a narrative explaining what work was done during the time being billed. Generally, this is shown as a grid with column headings such as: Deliverable, Date, Task, and Description of Services/Deliverable, as appropriate.

4. Budget Contingency Clause

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- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the contract, this Agreement shall be of no further force and effect. In this event, HCD shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement. Work assigned by HCD that is in-process and/or completed by the CM Contractor as of the effective date of any Budget Act amendment will be paid to contractor regardless of the Budget Act updates.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this contract, HCD shall have the option to either cancel this Agreement with no liability occurring to HCD other than as described herein, or offer an agreement amendment to Contractor to reflect the reduced amount. Work assigned by HCD that is in-process and/or completed by the CM Contractor will be paid to contractor regardless of the Budget Act updates.

5. Prompt Payment Clause

Payment will be made in accordance with Chapter 4.5 (commencing with Section 927) of Part 3 of Division 3.6 of Title 1 of the Government Code.