ITEM NO. 14

STAFF REPORT

CITY OF OCEANSIDE

DATE: September 9, 2009

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department

SUBJECT: **APPROVAL OF AMENDMENT 1 TO A COMMUNITY DEVELOPMENT BLOCK GRANT AGREEMENT WITH T.E.R.I., INC.**

SYNOPSIS

Staff recommends that the City Council approve amendment 1 to a Community Development Block Grant agreement with T.E.R.I., Inc., revising the scope of work of the project and extending the contract period from June 30, 2009, to June 30, 2010; and authorize the City Manager to execute the amendment.

BACKGROUND

The City Council allocated $45,000 of FY 2008-09 Community Development Block Grant (CDBG) funds to T.E.R.I. to complete the build-out of the music and recreation areas at the main T.E.R.I. facility at 251 Airport Road in Oceanside (08-D0149-1). T.E.R.I. provides a wide variety of learning and therapy services for children, youth and adults with learning and/or developmental disabilities. The proposed project would have completed interior improvements to meet the needs of non-ambulatory clients, including enlarged client restroom facilities and a vocational kitchen area.

T.E.R.I. had used CDBG funds for some previous capital improvement work in the music therapy area under a building permit issued by the City. When T.E.R.I. went back to revise the existing building permit for the proposed project, they learned that the work would require a new permit which would trigger new code requirements that could not be met by the CDBG grant funds. While the grant did provide for a new wall and door between the music therapy area and the recreation area, plans for the expanded restrooms and vocational kitchen had to be set aside.

T.E.R.I. operates the Learning Academy in Oceanside that serves children and youth with autism and other developmental and learning disabilities. The Academy has 74 students enrolled each year, all of whom have severe behavior issues and are often non-verbal. School districts from throughout North San Diego County refer to T.E.R.I. students for whom they cannot provide educational services, and provide financial support to T.E.R.I. for students from their districts.

The Learning Academy is in a 15,000-sq.-ft. building constructed more than thirty years ago. Windows in the facility do not meet current energy efficient standards and the electrical system and interior lighting need updating for energy efficiency.

ANALYSIS

T.E.R.I. has requested an amendment to their FY 2008-09 CDBG agreement to revise the scope of work of the project and extend the contract period to June 30, 2010. The proposed revision to the scope of work will improve energy efficiency and conservation at the Learning Academy facility in Oceanside by:

1. Replacing all windows in the facility with new energy-efficient dual-pane windows that also meet safety standards;
2. Installing new energy-efficient lighting;
3. Installing new electrical fixtures for energy conservation based on results of an energy audit of the Learning Academy.

T.E.R.I. has used $7,291 of the CDBG grant for work in the music therapy room with an available balance of $37,709. CDBG regulations (24 CFR 570.202) allow funding for energy-efficiency improvements in facilities that serve low- and moderate-income individuals and persons with special needs. The City has allocated funds to other nonprofit organizations in Oceanside for similar energy-efficiency upgrades including the Family Recovery Center and Women's Resource Center emergency shelter.

The City requires that any organization using CDBG funds for capital improvement projects either own the facility being improved or have a long-term (minimum five-year) lease; T.E.R.I. has a long-term renewable lease on the Learning Academy facility.

The proposed time extension is for a one-year period only and will not be extended beyond June 30, 2010. Staff at T.E.R.I. have assured the City that they can complete the work within the time period

FISCAL IMPACT

The amendment does not appropriate any additional Community Development Block Grant funds to T.E.R.I. and there is no impact on the General Fund. Any funds not expended by the end of the contract period will revert to the CDBG contingency fund.

COMMISSION OR COMMITTEE REPORT

The FY 2008-09 CDBG ad hoc Application Review Committee completed its work and submitted recommendations to the City Council in March 2008. The ad hoc Committee does not review mid-year allocations of CDBG funds or amendments to contracts. The proposed change to the Scope of Work constitutes a substantial change to the FY 2008-09 CDBG Action Plan and approval by the City Council at a public hearing is required under HUD regulations or by the City's CDBG citizen participation plan.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

CITY ATTORNEY'S ANALYSIS

The City Council is authorized to hold a public hearing in this matter. Consideration of the matter should be based on the testimony and evidence presented at the hearing. After conducting the public hearing, the Council shall affirm, modify or deny the project. The supporting document has been reviewed and approved as to form by the City Attorney.

RECOMMENDATION

Staff recommends that the City Council approve amendment 1 to a Community Development Block Grant agreement with T.E.R.I., Inc., revising the scope of work of the project and extending the contract period from June 30, 2009, to June 30, 2010; and authorize the City Manager to execute the amendment.

PREPARED BY:

John A. Lundblad
Management Analyst

SUBMITTED BY:

Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Margery M. Pierce, Director, Neighborhood Services

Teri Ferro, Director, Financial Services

ATTACHMENTS

1. Amendment 1 to CDBG Agreement with T.E.R.I., Inc.
2. Letter requesting amendment from T.E.R.I., Inc.

CITY OF OCEANSIDE

AMENDMENT 1 TO

FY 2008-09 COMMUNITY DEVELOPMENT BLOCK GRANT AGREEMENT

PROJECT: T.E.R.I., Inc. Fitness and Therapy Center

THIS AMENDMENT TO FY 2008-09 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM AGREEMENT (hereinafter "Amendment") is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and T.E.R.I., Inc., hereinafter designated as "SUBRECIPIENT."

RECITALS

WHEREAS, CITY and SUBRECIPIENT are the parties to that certain Community Development Block Grant Program (CDBG) Agreement dated October 7, 2008 (Document Number 08-D0149-1), hereinafter referred to as the "Agreement", wherein SUBRECIPIENT agreed to provide certain services to the CITY as set forth therein;

WHEREAS, SUBRECIPIENT has encountered difficulties in completing the project as planned due to unforeseen code specifications required for a new building permit that could not be met with the limited funds in this grant;

WHEREAS, the parties desire to amend the Agreement to provide for changes and/or modifications to the Scope of Work and end extension of the contract period detailed in the Scope of Work.

AMENDMENT

NOW, THEREFORE, as set forth herein, the parties hereto do mutually agree that the Agreement shall be amended as follows:

1. The Scope of Work is changed to allow SUBRECIPIENT to use remaining CDBG funds for a project to improve energy efficiency at the Learning Academy that serves individuals with autism and other developmental or learning difficulties; such work to include installation of energy-efficient windows and interior lighting, improvements to the electrical system, and other comparable activities.

2. The contract period for completion of capital improvement projects is extended to June 30, 2010.

3. EXCEPT AS EXPRESSLY SET FORTH IN THIS AMENDMENT, THE AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT AND IS HEREBY RATIFIED AND REAFFIRMED.

SIGNATURES

The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Amendment on behalf of the respective legal entities of the SUBRECIPIENT and the CITY.

IN WITNESS WHEREOF the parties hereto being duly authorized on behalf of their respective entities to execute this Amendment, do hereby agree to the covenants contained in the Agreement, including this Amendment and have caused this Amendment to be executed by setting hereunto their signatures.

SUBRECIPIENT: T.E.R.I., Inc. EIN: 95-3532129

By: _____ Date: 8/14/09

Name: Cheryl Kilmer Title: CEO & Founder

NOTARY ACKNOWLEDGMENTS OF SUBRECIPIENT MUST BE ATTACHED.

CITY OF OCEANSIDE

By: _____ Date: _____

Peter A. Weiss, City Manager

APPROVED AS TO FORM

By: _____

CITY ATTORNEY

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Diego

On 8/14/09 (Date) before me, Martha G. Orr, Notary Public (Here Insert Name and Title of the Officer),
personally appeared Cheryl Kilmer (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.

Signature Martha G. Orr
Signature of Notary Public

MARTHA G. ORR
Commission # 1625643
Notary Public - California
San Diego County
My Comm. Expires Nov 29, 2009

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another 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: _____
☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer's Name: _____
☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
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TERI
TRAINING EDUCATION & RESEARCH INSTITUTE

Serving individuals with developmental & learning disabilities and their families since 1980

RECEIVED
JUN 24 2009
NEIGHBORHOOD SERVICES
HOUSING DIVISION

June 22, 2009

Ms. Margery Pierce
300 N. Coast Highway
Oceanside, CA 92054

Dear Ms. Pierce,

We are writing today to request our current CDBG funds be moved from our original project at TERI to a new energy efficient project at our Oceanside location – The Learning Academy. Currently, the $45,000 had been designated to redesign and improve the Music Therapy room in the back part of the administration building at 251 Airport Road. A delay in the project required a new permit, which then created new code specifications that could not be met by this grant alone. We were able to do the major step of the project, which was to install a soundproof door allowing the exercise area and music area to now operate independently. It is a huge improvement.

TERI would like to request to move the remaining funds to the Learning Academy to replace 30+ year old windows and update any current electrical usage that is not meeting "green" standards. We would like to install energy efficient windows throughout the entire 15,000 square foot building to reduce energy usage and lower electrical bills. Newer, more efficient windows are also safer for our students at the Learning Academy. We are currently doing an energy audit to see how we can specifically decrease our energy usage at this facility.

The Learning Academy serves individuals with autism and other developmental and learning disabilities in Oceanside. With 74 students enrolled annually, the schools focuses on kids who have otherwise failed in the public school systems. These kids typically have severe behavior issues and are often non-verbal, struggling to communicate in a complicated world. The Learning Academy is a 1:1 program that provides critical support needed for success in their daily lives.

Thank you for considering using these funds for energy efficiency at The Learning Academy.

Sincerely,

Laura

Laura E. White
Director of Development
TERI Inc.

Seeing Opportunities Removing Limitations Imparting Hope

251 Airport Road • Oceanside, California 92058
(760) 721-1706 • (760) 721-9872 (fax) • www.teriinc.org

AGREEMENT
AN AGREEMENT BETWEEN THE CITY OF OCEANSIDE AND
T.E.R.I., Inc.
FOR THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
FOR CAPITAL IMPROVEMENT AND/OR REHABILITATION PROJECTS

This Agreement, made and entered into by and between the City of Oceanside, a municipal corporation of the State of California, hereinafter "CITY", and T.E.R.I., Inc., a nonprofit corporation, hereinafter "SUBRECIPIENT".

WITNESSETH:

RECITALS:

1. CITY is recipient of funds from the United States Department of Housing and Urban Development (hereinafter "HUD") pursuant to Title I of the Housing and Community Development Act of 1974 (41 USC 5301-5320) as amended (hereinafter "ACT").

2. CITY has approved the provision of federal funds under the ACT to be used by the SUBRECIPIENT as provided in its "Scope of Work", attached hereto as Exhibit "A" and incorporated herein by reference.

3. SUBRECIPIENT warrants that it has the expertise and experience to perform the work set forth in the Scope of Work.

4. SUBRECIPIENT represents that it shall perform the work as set forth in the Scope of Work pursuant to the "Budget", attached hereto as Exhibit "B" and incorporated herein by reference.

5. CITY shall provide Community Development Block Grant ("CDBG") funds to the SUBRECIPIENT in the amount set forth in the Budget, and pursuant to the terms of this Agreement.

NOW THEREFORE, in consideration of the foregoing recitals and based on the mutual covenants below, the parties hereby agree as follows:

A. SUBRECIPIENT OBLIGATIONS

1. Use of Funds SUBRECIPIENT agrees to use all federal funds provided by CITY to SUBRECIPIENT pursuant to the provisions of this Agreement, the Scope of Work, and Budget for said program. SUBRECIPIENT'S failure to perform as required may, in addition to other remedies set forth in this Agreement, result in readjustment of the amount of funds CITY is otherwise obligated to pay to SUBRECIPIENT under Section B hereof.

SUBRECIPIENT agrees to use said funds to pay for necessary and reasonable costs to operate said program. Said amount shall include wages, administrative costs, employee benefits comparable to other similarly situated employees, and other allowable program costs as detailed in the Budget.

SUBRECIPIENT shall not use any funds received pursuant to this Agreement for the purpose of 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 cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement as set forth in the Certification Regarding Lobbying, attached hereto as Exhibit "C".

2. Scope of Work SUBRECIPIENT represents that the Scope of Work as set forth in Exhibit A includes an accurate schedule for performance and completion of the work. These items shall be in sufficient detail to provide a sound basis for the City to effectively monitor performance under the Agreement.

3. Budget SUBRECIPIENT represents that the Budget as set forth in Exhibit B includes only allowable costs and an accurate analysis of costs applicable to CDBG funds pursuant to 24 CFR Part 502, which includes requirements for compliance with the following in addition to other requirements:

a. If SUBRECIPIENT is a governmental entity, Office of Management and Budget ("OMB") Circulars No. A-87, A-128 (24 CFR Part 44), and with certain sections of 24 CFR Part 85; or

b. If SUBRECIPIENT is not a governmental entity, OMB Circular No. A-122, "Cost Principles for Nonprofit Organizations" or OMB Circular No. A-21, "Cost Principles for Educational Institutions", as applicable, OMB Circular No. A-110, "Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations", and with certain sections of 24 CFR Part 84.

These items shall be in sufficient detail to provide a sound basis for the City to effectively monitor performance under the Agreement.

4. Records and Reports SUBRECIPIENT shall maintain the following records and reports to assist CITY in maintaining its recordkeeping requirements:

a. Records:

(1) Documentation of the income level of persons and/or households participating in or benefiting by the SUBRECIPIENT'S program

(2) Documentation of the number of persons or households participating in or benefiting by the SUBRECIPIENT'S program

(3) Documentation of all CDBG funds received from CITY

(4) Documentation of expenses as identified in the Budget

(5) Any such other related records as CITY shall require *for HUD Performance Measurement reporting.*

b. Reports:

(1) Performance Reports due October 15, January 15 and April 15 while the project is underway

(2) An annual Performance Measurement Report due July 30 while the project is underway

(3) A final Performance Measurement Report due no later than thirty days after project completion

(4) Any other reports as CITY shall reasonably require.

5. Program Income SUBRECIPIENT shall manage program income in accordance with the principles described in 24 CFR 507.504 (c). The CITY may require remittance of all or part of any program income balances held by the SUBRECIPIENT when this Agreement expires or received after this Agreement's expiration.

6. Uniform Administrative Requirements The SUBRECIPIENT shall comply with applicable uniform administrative requirements as described in 24 CFR 570.502 (b).

7. Separation of Accounts All funds received by SUBRECIPIENT from CITY pursuant to this Agreement shall be maintained separate and apart from any other funds of SUBRECIPIENT or of any principal or member of SUBRECIPIENT.

8. Retention of Records All accounting records and evidence pertaining to all costs of SUBRECIPIENT and all documents related to this Agreement shall be kept available at SUBRECIPIENT'S office or place of business for the duration of the agreement and thereafter for five (5) years after completion of an audit. Records which relate to (a) complaints, claims, administrative proceedings or litigation arising out of the performance of this Agreement, or (b) costs and expenses of this Agreement to which CITY or any other governmental agency takes exception, shall be retained beyond the five (5) years until resolution or disposition of such appeals, litigation claims, or exceptions.

9. Compliance with Applicable Laws SUBRECIPIENT agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the Housing and Urban Development regulations concerning Community Development Block Grant). SUBRECIPIENT also agrees to comply with all other applicable federal, State and local laws, regulations, and policies governing the funds provided under this contract. The

SUBRECIPIENT shall secure any new permits required by authorities herein with jurisdiction over the project, and shall maintain all presently required permits. The SUBRECIPIENT shall ensure that the requirements of the National Environmental Protection Act are met for any permits or other entitlements required to carry out the terms of this Agreement.

10. Construction Provisions. The terms and conditions of this section shall be applicable whenever any funds under this Agreement are used for construction purposes. SUBRECIPIENT agrees that the provisions of the Davis-Bacon Act, as amended, the Contract Work Hours and Safety Standards Act (CHWSSA), and the Copeland "Anti-Kickback Act" shall be a part of all construction contracts awarded by SUBRECIPIENT pursuant to this Agreement, and all subcontracts thereto. SUBRECIPIENT agrees to include the following language in any Notice Inviting Bids (advertisement) and in any construction contracts issued by SUBRECIPIENT for the project, and all subcontracts thereto: "This project is funded in whole or in part with federal funds; Davis-Bacon prevailing wage requirements and reporting requirements will be enforced. If State funds are involved then the higher of the two wage rates will be enforced."

a. Inspections.
During normal business hours and, in the event of emergency, at any time, SUBRECIPIENT shall permit CITY staff, inspectors and consultants to (1) enter upon the property and all portions thereof, (2) inspect the property and the materials to be used in connection with the project, and (3) examine all contracts, books, records, the Plans and Specifications (once the same have been prepared) and any shop drawings or other construction plans relating to the project, whether in the possession of the SUBRECIPIENT, the General Contractor, or SUBRECIPIENT's contractors, subcontractors, representatives or consultants, and make copies of any such items at SUBRECIPIENT's expense.

b. Disbursement Payments
Cost shall be deemed to have been "incurred" by the project at the following times as to direct costs: when the labor has been performed or the materials have been delivered on site and incorporated into the project, payment therefor has been requested by the contractor, and such contractor or supplier is entitled thereto.

c. Construction Related Liens
SUBRECIPIENT shall promptly discharge or cause to be discharged any mechanics' or materialman's liens or claims of lien filed or otherwise asserted against the property, the project, or any funds due the General Contractor or any other party with whom SUBRECIPIENT may have a direct contract, or any stop notices received by the CITY, and SUBRECIPIENT shall cause any proceedings for enforcement of the same to be promptly dismissed; except that SUBRECIPIENT shall have the right to contest in good faith and

with diligence the validity of any such lien or claim of lien. In the case of stop notices, SUBRECIPIENT shall immediately provide to the CITY a bond from a surety acceptable to the CITY in its sole discretion and in form and amount sufficient to release such stop notice and otherwise in form and substance acceptable to the CITY. The CITY shall not be required to make any further disbursements until such mechanics' liens and all stop notices have been fully released or discharged or bonded against to the CITY's satisfaction.

If SUBRECIPIENT fails to promptly discharge or contest liens, claims or stop notices and provide the bond, there is an adverse conclusion to any such contest and SUBRECIPIENT does not cause any final judgment or decree to be fully satisfied and the lien or stop notice to be discharged, then, in either event, the CITY may, but shall not be required to, procure the release and discharge of any such lien or stop notice and any judgment or decree thereon, and in furtherance thereof, may, in its sole discretion, effect any settlement or compromise or furnish any security or indemnity as may be required.

11. Nondiscrimination Policy

a. Provision of Program Services

(1) SUBRECIPIENT shall not on the ground of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance exclude any person from participation in, deny any person the benefits of, or subject any person to discrimination under any program or activity funded in whole or in part with CDBG funds.

(2) SUBRECIPIENT shall not under any program or activity funded in whole or in part with CDBG funds, on the ground of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance:

(a) Deny any facilities, services, financial aid or other benefits;

(b) Provide any facilities, services, financial aid or other benefits that are different or are provided in a different form from that provided to others;

(c) Subject to segregated or separate treatment in any facility in, or in any matter of process related to receipt of any service or benefit;

(d) Restrict in any way access to, or in the enjoyment of any advantage or privilege enjoyed by others in connection with facilities, services, financial aid or other benefits;

(e) Treat an individual differently from others in determining whether the individual satisfies any admission, enrollment, eligibility, membership, or other requirement or condition, which the individual must meet in order to be provided any facilities, services or other benefit;

(f) Deny an opportunity to participate in a program or activity as an employee.

(3) SUBRECIPIENT, in determining the site or location of housing or facilities provided in whole or in part with CDBG funds, may not make selections of such site or location which have the effect of excluding individuals from, denying them the benefits of, or subjecting them to discrimination on the ground of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance, or which have the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of the Civil Rights Act of 1964 and amendments thereto.

(4) Notwithstanding anything to the contrary in Sections A.10.a. (1)-(3), nothing contained herein shall be construed to prohibit any SUBRECIPIENT from maintaining or constructing separate living facilities or rest room facilities for the different sexes. Furthermore, selectivity on the basis of sex is not prohibited when institutional or custodial services can properly be performed only by a member of the same sex as the recipients of the services.

b. Employment Discrimination

(1) SUBRECIPIENT shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. SUBRECIPIENT shall take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation and selection for training including apprenticeship. SUBRECIPIENT agrees to post in conspicuous places available to employees and applicants for employment, notices setting

forth the provisions of this non-discrimination clause.

(2) SUBRECIPIENT shall, in all solicitations or advertisements for employees placed by or on behalf of SUBRECIPIENT, state that all qualified applications will receive consideration for employment without regard to race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance.

(3) If SUBRECIPIENT is a religious corporation, association, educational institution, or society, Section 202 of Executive Order 11246 of September 24, 1965, as amended, shall not apply with respect to the employment of particular individuals of a particular religion to perform work connected with the carrying on by such corporation, association, education institution, or society of its activities. SUBRECIPIENT is not exempted or excused from complying with the other requirements contained in Executive Order 11246 of September 24, 1965, as amended.

(4) SUBRECIPIENT shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by CITY's contracting officers advising the labor union or workers' representative of SUBRECIPIENT'S commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, as amended, and shall post copies of the notices in conspicuous places available to employees and applicants for employment.

(5) SUBRECIPIENT shall comply with all provisions of Executive Order 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) SUBRECIPIENT shall furnish to the CITY all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the related rules, regulations, and orders.

(7) In the event of SUBRECIPIENT'S failure to comply with any rules, regulations, or orders required to be complied with pursuant to this Agreement, CITY may cancel, terminate, or suspend in whole or in part its performance and SUBRECIPIENT may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by

law.

(8) SUBRECIPIENT shall include the provisions of Section A.11.b., "Employment Discrimination", paragraphs (1) through (6) in every sub-contract or purchase order unless exempted by rules, regulations, or order of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each sub-contractor or vendor. SUBRECIPIENT shall take such action with respect to any sub-contract or purchase order as the CITY may direct as a means of enforcing such provisions including sanctions for non-compliance; provided, however, that in the event SUBRECIPIENT becomes involved in, or is threatened with, litigation with a sub-contractor or vendor as a result of such direction by the CITY, SUBRECIPIENT may request the United States to enter into such litigation to protect the interests of the United States.

(9) SUBRECIPIENT shall not discriminate on the basis of age in violation of any provision of the Age Discrimination Act of 1975 (42 USC 6101 et seq.) or with respect to any otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973 (29 USC 794) and the Americans with Disabilities Act of 1990. SUBRECIPIENT shall also provide ready access to and use of all CDBG-fund-assisted buildings to physically handicapped persons in compliance with the standards established in the Architectural Barriers Act of 1968 (42 USC 4151 et seq.).

c. Remedies In the event of SUBRECIPIENT'S failure to comply with any rules, regulations, or orders required to be complied with pursuant to this Agreement, the CITY may cancel, terminate, or suspend in whole or in part its performance and SUBRECIPIENT may be declared ineligible for further government contracts and any such other sanctions as may be imposed and remedies invoked as provided by law.

12. Ineligibility of SUBRECIPIENTS or Contractors SUBRECIPIENT shall not use CDBG funds directly or indirectly in its operations or to employ, award contracts to, or otherwise engage the services of, or fund any contractor during any period of debarment, suspension, or placement in ineligibility status of the SUBRECIPIENT or such contractor under the provisions of 24 CFR Part 24.

13. Conflict of Interest In the procurement of supplies, equipment, construction, and services by SUBRECIPIENT, the conflict of interest provisions in 24 CFR 570.611 shall apply.

14. Condition for Religious Organizations In addition to, and not in substitution for, other provisions of this Agreement regarding the provision of public services with CDBG pursuant to Title I of the

Housing and Community Development Act of 1974, as amended the SUBRECIPIENT:

a. Represents that it is, or may be deemed to be, a religious or denominational institution or organization or an organization operated for religious purposes which is supervised or controlled by or in connection with a religious or denominational institution or organization;

b. Agrees that, in connection with such public services:

(1) It will not discriminate against any person applying for such public services on the basis of religion and will not limit such services or give preference to persons on the basis of religion;

(2) It will provide no religious instruction or counseling, conduct no religious worship, and will exert no other religious influence in the provision of such public services (For purposes of this subsection A.14., such activities shall be referred to as "Ineligible Activities."); and

(3) To the extent that the funds received under this Agreement are used to construct, rehabilitate or restore any facility that is owned by the SUBRECIPIENT and in which public services are to be provided, SUBRECIPIENT will establish a policy for determining cost allocation between the program services to be provided under this Agreement and Ineligible Activities that occur in the facility. SUBRECIPIENT's policy may allocate the funds according to time or space, as appropriate, such that the proportion of funds received under this Agreement shall be no greater than the proportion of time or space for which the facility is used to provide the public services under this Agreement.

15. Suspension and Termination In accordance with 24 CFR 85.43, suspension or termination may occur if SUBRECIPIENT materially fails to comply with any term of this Agreement and/or the award, and the Agreement and/or the award may be terminated for convenience in accordance with 24 CFR 85.44.

16. Reversion of Assets Upon the termination or expiration of the term of this Agreement, the SUBRECIPIENT shall transfer to the CITY any CDBG funds on hand at the time of such termination or expiration and any accounts receivable attributable to the use of CDBG funds. Any real property under the SUBRECIPIENT'S control that was acquired or improved in whole or in part with CDBG funds in excess of twenty-five thousand dollars ($25,000.00) shall either be:

a. Used to meet one of the National Objectives stated in 24 CFR 570.901 until five (5) years after termination or expiration of this Agreement, or for such longer period of time as determined to

be appropriate by the CITY; or

b. Disposed of in a manner that results in the CITY's being reimbursed in the amount of the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Reimbursement to the CITY shall not be required after the period of time specified in Section A.15.a. of this Agreement.

17. Licensing SUBRECIPIENT agrees to obtain and maintain all licenses, registrations, accreditations, and inspections from all agencies governing its operations. SUBRECIPIENT shall insure that its staff shall also obtain and maintain all required licenses, registrations, accreditations and inspections from all agencies governing SUBRECIPIENT'S operations hereunder.

18. Inspection of Records SUBRECIPIENT acknowledges that the programs and services provided pursuant to this Agreement shall be subject to an annual audit in accordance with the standards set forth in OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations", as applicable, and related CDBG and/or other provisions. CITY and the United States Government and/or their representatives shall have access for purposes of monitoring, auditing, and examining SUBRECIPIENT'S activities and performance, to books, documents and papers, and the right to examine records of SUBRECIPIENT'S sub-contractors, bookkeepers and accountants, employees and participants in regard to said program. CITY and the United States Government and/or their representative shall also schedule on-site monitoring at their discretion. Monitoring activities may also include, but are not limited to, questioning employees and participants in said program and entering any premises or any site in which any of the services or activities funded hereunder are conducted or in which any of the records of SUBRECIPIENT are kept. Nothing herein shall be construed to require access to any privileged or confidential information as set forth in federal or State law. In the event SUBRECIPIENT does not make the above-referenced documents available within the City of Oceanside, California, SUBRECIPIENT agrees to pay all necessary and reasonable expenses incurred by CITY in conducting any audit at the location where said records and books of account are maintained.

19. Independent Contractor SUBRECIPIENT'S relationship to the CITY shall be that of an independent contractor. SUBRECIPIENT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the City Manager. SUBRECIPIENT shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. SUBRECIPIENT shall report to the CITY any and all employees, agents, and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.

20. Workers' Compensation Pursuant to California Labor Code section 1861, the SUBRECIPIENT hereby certifies that the SUBRECIPIENT is aware of the provision of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and the SUBRECIPIENT will comply with such provisions and provide certification of such compliance as a part of the Agreement.

21. Liability Insurance

a. SUBRECIPIENT shall, throughout the duration of this Agreement maintain comprehensive general liability insurance, and property damage insurance, or commercial general liability insurance, covering all operations of SUBRECIPIENT, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

b. SUBRECIPIENT shall maintain liability insurance in all the following minimum limits:

Comprehensive General Liability Insurance (bodily injury and property damage)	
Combined General Liability Insurance	$1,000,000
General Aggregate	$2,000,000*
Commercial General Liability Insurance (bodily injury and property damage)	
General limit per occurrence	$1,000,000
General limit project specific aggregate	$2,000,000
Automobile Liability Insurance	$1,000,000

*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of SUBRECIPIENT under this Agreement.

c. If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the SUBRECIPIENT to restore the required limits. The SUBRECIPIENT shall also notify the CITY's Project Manager promptly of all losses or claims over $25,000 resulting from work performed under this contract, or any loss or claim against the SUBRECIPIENT'S work.

d. All insurance companies affording coverage to the SUBRECIPIENT for the purposes of this Section shall be required to add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed in accordance

with this Agreement. Insurance coverage provided to the City of Oceanside as additional insured shall be primary insurance and other insurance maintained by the City of Oceanside, its officers, agents and employees shall be excess only and not contributing with insurance provided pursuant to this Section.

e. All insurance companies affording coverage to the SUBRECIPIENT shall be insurance organizations authorized by the Insurance Commissioner of the State Department of Insurance to transact business of insurance in the State or be rated as A-VI or higher by A.M. Best Company, Inc.

f. SUBRECIPIENT shall provide evidence of compliance with the insurance requirements listed above by providing a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.

g. SUBRECIPIENT shall provide substitute certificate of insurance no later than thirty (30) days prior to the policy expirations date. Failure by the SUBRECIPIENT to provide such substitution and extend the policy expiration date shall be considered a default by SUBRECIPIENT and may subject the SUBRECIPIENT to a suspension or termination of work under the Agreement.

h. All insurance companies affording coverage shall provide thirty (30) days written notice to the City of Oceanside should the policy be canceled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

i. Maintenance of insurance by the SUBRECIPIENT as specified in this Agreement shall in no way be interpreted as relieving the SUBRECIPIENT of any responsibility whatever and the SUBRECIPIENT may carry, at its own expense, such additional insurance as it deems necessary.

22. SUBRECIPIENT'S Indemnification of CITY. SUBRECIPIENT shall indemnify and hold harmless the CITY and its officers, agents, and employees against all claims for damages to persons or property arising out of the negligent acts, errors or omissions or other wrongful acts conduct of the SUBRECIPIENT or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except only for those claims arising solely from the active negligence or willful misconduct of the CITY, its officers, agents, or employees.

SUBRECIPIENT's indemnification shall include any and all costs, expenses, attorneys' fees and liability incurred by the CITY, its officers, agents, or employees in defending against such claims, whether the same proceed to judgment or not. Further, SUBRECIPIENT at its own expense shall, upon written request by the CITY, defend any

such suit or action brought against the CITY, its officers, agents, or employees.

SUBRECIPIENT's indemnification of the CITY shall not be limited by any prior or subsequent declaration by the SUBRECIPIENT.

23. Assignment and Delegation. This Agreement and any portion thereof shall not be assigned or transferred, nor shall any of the SUBRECIPIENT'S duties be delegated, without the express written consent of the CITY. Any attempt to assign or delegate this Agreement without the express written consent of the CITY shall be void and of no force or effect. A consent by the CITY to one assignment shall not be deemed to be a consent to any subsequent assignment. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

B. CITY OBLIGATIONS

1. Payment of Funds. CITY shall pay to SUBRECIPIENT from CDBG funds, when, if and to the extent received from HUD, amounts expended by SUBRECIPIENT in carrying out said program pursuant to this Agreement up to a maximum aggregate payment of Forty-Five Thousand dollars ($45,000) in installments determined by CITY. Payment shall be made to SUBRECIPIENT through the submission of periodic invoices, in a form prescribed by CITY, detailing such expenses. Payments will be made on a cost reimbursement basis only. CITY shall pay such invoices within thirty (30) days after receipt thereof, provided CITY is satisfied that such expenses have been incurred within the scope of this Agreement and that SUBRECIPIENT is in compliance with the terms and conditions of this Agreement.

2. Audit of Account. CITY shall include an audit of the account maintained by SUBRECIPIENT pursuant to Section A.8. of this Agreement in CITY's annual audit of all CDBG funds pursuant to federal regulations found in Title 24 of the Code of Federal Regulations and other applicable federal laws and regulations.

C. MISCELLANEOUS PROVISIONS:

1. Termination of Agreement. CITY or SUBRECIPIENT may terminate this Agreement by giving written notice to the other party thirty (30) days prior to effective date of termination. Additionally, the CITY shall have the right, in accordance with 24 CFR 85.43, to terminate this Agreement immediately or to withhold payment of any invoice for failure of the SUBRECIPIENT to comply with the terms and conditions of this Agreement. Should the CITY decide to terminate this Agreement after a full evaluation of all circumstances has been completed, the SUBRECIPIENT shall, upon written request, have the right to an appeal process. A copy of the appeal process will be attached to any termination notice. If the CITY finds that the SUBRECIPIENT has violated the terms and conditions of this Agreement, the SUBRECIPIENT

may be required to:

a. repay all monies received from the CITY under this Agreement; and/or

b. transfer possession of all materials and equipment purchased with grant money to the CITY.

In the case of early termination, a final payment may be made to the SUBRECIPIENT upon receipt of a Final Report and invoices covering eligible costs incurred prior to termination. The total of all payments, including the final payment, shall not exceed the amount specified in this Agreement.

2. Notices. All notices, demands, requests, consents, or other communications which this Agreement contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be personally delivered or mailed to the respective party as follows:

TO CITY:	TO SUBRECIPIENT:
City of Oceanside	T.E.R.I., Inc.
Neighborhood Services Department	Improvements to fitness, therapy and recreation center
Attn: CDBG Program Manager	Attn: Bill Mara
300 North Coast Highway	251 Airport Road
Oceanside, CA 92054	Oceanside CA 92054

Either party may change its address by notice to the other party as provided herein. Communications shall be deemed to have been given and received on the first to occur of (a) actual receipt at the offices of the party to whom the communication is to be sent, as designated above, or (b) three working days following the deposit in the USPS mail of certified mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.

3. Entire Agreement. This Agreement comprises the entire integrated understanding between CITY and SUBRECIPIENT concerning the work to be performed for this project and supersedes all prior negotiations, representations, or agreements.

4. Interpretation of the Agreement. The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY. The SUBRECIPIENT shall be responsible for complying with all local, State, and federal laws whether or not said laws are expressly stated or referred to herein. Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this Agreement are

severable.

5. Agreement Modification. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

6. Dispute Resolution. Any controversy or claim arising out of or relating to this agreement, or concerning the breach or interpretation thereof, shall be settled first by submission of the matter to mediation the cost of which shall be borne equally by the parties.

7. Signatures. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the SUBRECIPIENT and the CITY.

IN WITNESS WHEREOF the parties hereto for themselves, their executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Agreement to be executed by setting hereunto their signatures this 7th day of October, 2008.

T.E.R.I., Inc.
SUBRECIPIENT

By

Signature	Name/Title
William E. Marx	William E Marx COO
Signature	Name/Title

(Notary acknowledgments of SUBRECIPIENT must be attached)

95-3532129
Federal Employer Identification Number

CITY OF OCEANSIDE
CITY

By Margery M. Pierce
Neighborhood Services Director

Barbara Hamilton, ASST.
Approved as to form: City Attorney

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of SAN DIEGO

On October 7, 2008 (Date) before me, MARTHA G. ORR, NOTARY PUBLIC (Here Insert Name and Title of the Officer),
personally appeared WILLIAM E. MARA (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.

MARTHA G. ORR
Commission # 1628443
Notary Public - California
San Diego County
My Comm. Expires Nov 29, 2010

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 Martha G. Orr
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another 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: _____
☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer's Name: _____
☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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Attached hereto are Exhibits "A", "B", "C", "D", "E", and "F", and are incorporated herein by reference.

Exhibit A - Scope of Work

Exhibit B - Project Budget

Exhibit C - Certification Regarding Lobbying

Exhibit D - Section 3 Certification

Exhibit E - Authorization to execute contracts

Exhibit F - Federal Labor Standards Provisions (included when funding is allocated for construction projects that require payment of prevailing wages under Davis Bacon and Related Acts)

Required Attachments:

Certificate of Insurance: General Liability, **naming City of Oceanside as Additional Insured** with endorsements pursuant to Section A.20.d. of this Agreement

Certificate of Insurance: Automobile, **naming City of Oceanside as Additional Insured** with endorsements pursuant to Section A.20.d. of this Agreement (or letter stating that no vehicles are utilized in the operation of the program or activity)

Certificate of Insurance: Workers' Compensation (or letter certifying that the organization operating the program or activity has no employees)

EXHIBIT A
CDBG PROJECT SCOPE OF WORK

CONTRACT PERIOD: July 1, 2008 to June 30, 2009

SUBRECIPIENT NAME AND ADDRESS:
T.E.R.I., Inc.
251 Airport Road
Oceanside CA 92054

PROJECT NAME: Improvements to fitness, therapy and recreation center

PROJECT ADDRESS: 251 Airport Road Oceanside

PROJECT MANAGER: Bill Mara

GOAL: To complete the build-out of the music and recreation areas to provide optimum therapeutic experience for clients

STRATEGIES

1. Construct an interior wall to separate the fitness area from the music and recreation area
2. Enlarge and improve client restroom facilities and vocational kitchen area
3. Complete interior improvements to meet the needs of non-ambulatory clients

TARGET POPULATION: LMC - Persons with learning and/or developmental disabilities

NUMBER OF PERSONS/HOUSEHOLD SERVED: 210 persons; 77 Oceanside residents

OUTCOME MEASURE: Enhance a suitable living environment through improved/new accessibility

PAYMENT REQUEST

Payments will be made on a regular basis, upon the submittal of a payment request form, as provided:

1. The SUBRECIPIENT shall attach documentation of expenses to the payment request form, including copies of payroll records, invoices, and receipts.
2. The executive officer or director shall sign the payment request form, or shall submit a letter designating another person who is authorized to sign the payment request form.
3. The SUBRECIPIENT may request in writing alternate payment arrangements, including payments made directly to vendor or more frequent payment. Approval by CITY of this request is necessary before alternate payment arrangements will be put into effect.

PERFORMANCE REPORTS

A. QUARTERLY PERFORMANCE REPORT

The SUBRECIPIENT shall submit quarterly Performance Reports, on a form provided, by the 15th of the month following the end of each quarter while the project is underway. The quarterly reports shall be due on October 15th, January 15th, and April 15th. An annual report shall be due July 30th with totals for the program year. The quarterly reports shall include a report on progress toward completion of the project and any difficulties encountered that will hinder timely completion of the project. Quarterly and annual reports shall be submitted until the project is complete.

B. FINAL PERFORMANCE REPORT

Within 30 days following contract termination or project completion, whichever comes first, the SUBRECIPIENT shall submit a final evaluation report that includes:

1. A brief narrative description of the project and accomplishments during the program year, and analysis of anticipated outcomes and benefits for participants.

2. The cumulative number of unduplicated households or persons will receive new or improved services as a result of the project.

3. A demographic breakdown of the reported households or persons who will benefit by the project, in the following categories: income level (very low, low, moderate), race (white, African-American, Asian/Pacific Islander, Native American and other), whether Hispanic or non-Hispanic, and female-headed households.

4. Other funds and resources that were leveraged with the CDBG funds, volunteer and in-kind resources that were used in the project, and collaboration or support by other organizations or businesses.

5. An inventory of equipment valued at $500 or more that was purchased, in whole or part, with CDBG funds.

PROJECT BUDGET

SUBRECIPIENT shall expend funds in accordance with the Project Budget, Exhibit B, attached. Payment can only be made for purchases made and/or services provided during the contract period shown in the Scope of Work. Payment will be on a reimbursement basis only.

EXHIBIT B
CDBG PROJECT BUDGET / SOURCES AND USES 2008-09

Organization: T.E.R.I., Inc.

Project Name: Improvements to fitness, therapy and recreation center

1. Sources of funding for CDBG project:

a. CDBG funding	$ 45,000
b. Other federal funds (if any)	_____
c. State or local government funds	_____
d. Loans taken for the project	_____
e. Donations and contributions	$ 10,000
f. In-kind contributions and volunteer labor	$ 75,000
g. Organization funding	$ 10,000
h. TOTAL PROJECT FUNDING	$140,000

2. Uses of CDBG funds

a. Personnel salaries	$ _____
b. Personnel benefits	_____
c. Pre-development costs	_____
d. Acquisition and installation of equipment*	_____
e. Acquisition of facility	_____
f. Rehab of facility	_____
g. Minor home repair program	_____
h. Materials and supplies	$ 41,000
i. Contingency expenses	$ 4,000
j. TOTAL CDBG EXPENSES	$ 45,000

*Any equipment obtained with CDBG funds must be retained for use in CDBG-eligible activities for five years or for the useful life of the equipment, whichever comes first. An inventory of such equipment and record of disposition shall be maintained by SUBRECIPIENT for five years.

EXHIBIT C

CERTIFICATION REGARDING LOBBYING

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

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of 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 renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

2. If any funds other that 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 contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Willie E. Man
Signature of Authorized Representative
T.E.R.I., Inc.

7/15/08
Date

EXHIBIT D

SECTION 3 CERTIFICATION

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u(section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or worker's representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

Signature of Authorized Representative
T.E.R.I., Inc.

7/15/08
Date

EXHIBIT E

TERI

TRAINING EDUCATION & RESEARCH INSTITUTE

Serving individuals with developmental & learning disablities and their families since 1980

Removing Limitations Imparting Hope

Seeing Opportunities

CORPORATE RESOLUTION

Of

TERI, Inc.

At a regularly scheduled meeting of the Board of Directors of TERI, Inc. on June 5th, 2006, at which a quorum was present and voting, the following resolution was approved.

RESOLVED, that the below named officers are authorized to execute documents on behalf of TERI, Inc.

Cheryl Kilmer	President
Rob DeZonia	Vice President
Coni Cassiero	Board Member

Date: June 5, 2006

William E. Mara, Secretary

251 Airport Road • Oceanside, California 92054
(760) 721-1706 • (760) 721-9872 (fax) • www.teriinc.org

TERI

TRAINING EDUCATION & RESEARCH INSTITUTE

Serving individuals with developmental & learning disabilities and their families since 1980

Imparting Hope

Removing Limitations

Seeing Opportunities

CORPORATE RESOLUTION

It is hereby resolved by unanimous vote that the Board of Directors designated William E. Mara to enter into agreements on behalf of TERI, Inc.

Dated: October 7, 2008

Cheryl Kilmer, Executive Director

251 Airport Road • Oceanside, California 92058
(760) 721-1706 • (760) 721-9872 (fax) • www.teriinc.org

Exhibit F to CIP Projects
Federal Labor Standards Certification

A. SUBRECIPIENT understands that the project covered by this agreement is being assisted in whole or in part by Community Development Block Grant (CDBG) Program funds from the U.S. Department of Housing and Urban Development (HUD), and that the project is subject to the provisions of the Davis-Bacon Act, as amended, the Contract Work Hours and Safety Standards Act, and the Copeland "Anti-Kickback Act" (see Section A.10. "Construction Provisions" in the agreement). SUBRECIPIENT agrees to abide by the Federal Labor Standards Provisions (Form 4010) attached to this agreement as Exhibit F-1.

B. SUBRECIPIENT understands that the provisions of the Davis-Bacon Act, as amended, the Contract Work Hours and Safety Standards Act, and the Copeland "Anti-Kickback Act." shall be a part of all construction contracts awarded by SUBRECIPIENT pursuant to this Agreement, and all subcontracts thereto.

C. SUBRECIPIENT agrees to include the following language in any Notice Inviting Bids (advertisement) and in any construction contracts issued by SUBRECIPIENT for the project, and all subcontracts thereto:

> "This project is funded in whole or in part with federal funds; Davis-Bacon prevailing wage requirements and reporting requirements will be enforced. If State funds are involved then the higher of the two wage rates will be enforced."

D. CITY will provide a copy of the applicable Federal Prevailing Wage Decision to SUBRECIPIENT. SUBRECIPIENT agrees to provide copies of the applicable Prevailing Wage Decision as part of bid documents and any construction contract and subcontracts for the project.

E. CITY will provide guidance and technical assistance to SUBRECIPIENT and project contractors and subcontractors with regard to Federal Labor Standards Provisions (Form 4010). CITY shall provide to SUBRECIPIENT copies of *Making Davis-Bacon Work: A Contractor's Guide to Prevailing Wage Requirements for Federally-assisted Construction Projects* and other such forms as may be necessary to fulfill requirements (WH-347, WH-348, etc.).

William E. [signature] 7/15/08

Signature of Authorized Representative Organization — Date

CERTIFICATE OF WORKERS' COMPENSATION COVERAGE

DATE
Sep 2, 2008

PRODUCER

NonProfits' United Workers' Compensation Group
344 Thomas L. Berkley Way, Suite 340
Oakland, CA 94612

Phone: (877) 551-6717
Fax: (530) 274-9871

THIS CERTIFICATE IS ISSUED AS MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED

T.E.R.I. Inc.
3225 Roymar Road
Oceanside, CA 92054

INSURER A:	NonProfits' United Workers' Compensation Group
INSURER B:	Safety National Casualty Corporation
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES This Certificate is not intended to specify all endorsements, coverages, terms, conditions and exclusions of the policies shown.

THE POLICIES OF COVERAGE LISTED BELOW HAVE BEEN ISSUED TO THE AFFILIATE MEMBER 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 COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF COVERAGE	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE	LIMITS	
	GENERAL LIABILITY				EACH OCCURRENCE	$
	COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire)	$
	CLAIMS MADE / OCCUR				MED EXPENSE (Any one person)	$
	GENERAL AGGREGATE LIMIT APPLIES PER:				PERSONAL & ADV INJURY	$
	POLICY / PROJECT / LOC				GENERAL AGGREGATE	$
					PRODUCTS-COMP/OP AGG	$
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Each accident)	$
	ANY AUTO					$
	ALL OWNED AUTOS				BODILY INJURY (Per person)	$
	SCHEDULED AUTOS					$
	HIRED AUTOS				BODILY INJURY (Per accident)	$
	NON-OWNED AUTOS					$
					PROPERTY DAMAGE (Per accident)	$
						$
A	WORKERS' COMPENSATION AND EMPLOYERS LIABILITY	NPU-WCG 001-2008	1/1/08	1/1/09	WC STAT LIMITS X OTHER	
					E.L. EACH ACCIDENT	$ 500,000
					E.L. DISEASE – EA EMPLOYEE	$ 500,000
					E.L. DISEASE – COVERAGE LIMIT	$ 500,000
B	OTHER Excess Workers' Compensation	SP-1Y94-CA	1/1/08	1/1/09	$25,000,000 x $500,000 WC $1,000,000 x $500,000 EL	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL/PROVISIONS

Evidence of Workers' Compensation Coverage:

CERTIFICATE HOLDER | **ADDITIONAL INSURED; INSURER LETTER:**

NPUWCG-TERI-029

EVIDENCE OF COVERAGE

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE