

ALAMEDA COUNTY
HEALTH CARE SERVICES
AGENCY

Rebecca Gebhart, Interim Director



AGENDA December 20, 2016

ADMINISTRATION & INDIGENT HEALTH
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December 6, 2016

Honorable Board of Supervisors
County of Alameda
1221 Oak Street, Suite 536
Oakland, California 94612-4305

Dear Board Members:

SUBJECT: APPROVE A TWENTY-YEAR LEASE FOR THE BEHAVIORAL HEALTH CARE SERVICES AGENCY AT 516 31ST STREET OAKLAND, CALIFORNIA; AMOUNT: \$20

RECOMMENDATIONS:

- A. Authorize the President of the Board to sign a Lease between Bay Area Community Service Housing Corporation (BACS), a non-profit organization (Principal: Jamie Almanza, Executive Director, Oakland), Landlord, and the County of Alameda, Tenant, to lease property located as 516 31st Street, Oakland, California to be used for a Residential Crisis Stabilization program that will be operated in conjunction with a new Crisis Residential Treatment program for a period of 20 years upon substantial completion of the tenant improvements funded by a grant received by Alameda County from the California Health Facilities Finance Authority (CHFFA) in the amount of \$1 per year;
- B. Authorize one-time costs not to exceed \$3,912,676, comprising tenant improvement costs, furniture, fixtures and equipment, information technology equipment, and start-up costs for program operations, to be funded by a CHFFA grant agreement ALMD-02, approved by Your Board on 09/13/16 (item 8.1); and
- C. Authorize Behavioral Health Care Services (BHCS) to apply to CHFFA for an extension of Grant ALMD-02 to 12/31/17 from the current expiration of 06/30/17; should such grant extension not be approved, authorize BHCS to expend funds from Mental Health Services Act (MHSA) Capital funds to cover project expenses not covered by the grant up to \$3,294,606.

DISCUSSION/SUMMARY:

The Investment In Mental Health Wellness Act of 2013 (SB82) established a grant program to disburse funds to California counties for the purpose of developing mental health crisis support programs through the funding of capital improvements, including those to facilities owned by non-profit providers of crisis services.

Your Board approved the submission of the SB 82 Grant Application for these funds on September 15, 2015. CHFFA awarded the County of Alameda, through SB82, a total amount of \$3,912,676, of which \$3,294,606 is allocated for the renovation of the facilities, purchase of furniture and fixtures, and technology.

Use of SB82 funds for capital improvements to facilities owned by non-profits requires that those non-profit owners enter into a lease with the County-grantee for a term equal to the expected useful life of the SB82-funded improvements. SB82 obligations, uses, and regulatory requirements are set out in a Grant Agreement between Alameda County and CHFFA, the execution of which your Board authorized on September 13, 2016.

As described in the Grant Application and Grant Agreement, the County will use grant funds to develop a facility to house a 14-bed crisis residential treatment program operating in conjunction with a 12-client crisis stabilization program in the North County. Increasing access to crisis stabilization at the community level provides an opportunity to reduce costs associated with expensive hospital and emergency room care and to better meet the needs of individuals with mental health conditions in the least restrictive manner possible.

Behavioral Health Care Services (BHCS) has, with Board authorization, partnered with Bay Area Community Service Housing Corporation (BACS) to utilize these grant funds by developing a facility named Amber House in Oakland. Having received authorization by your Board, BHCS will enter into a Service Agreement with BACS for the provision of the crisis services to be housed in the leased facility. While the grant funding ties the County to a long-term contract with BACS for the facility use, the contract for the program operation will be contingent upon BACS' continued positive performance in the delivery of the included services.

Under the terms of the lease agreement, rent will be \$1 per year, payable in advance. Additional consideration is provided in the form of financing tenant improvements as stated in recommendation B.

Both the County and BACS are taking some risk. The County's risks include:

- There could be construction cost overruns that exceed grant funds, which the County will be responsible to pay.
- The grant calls for the program to be operated at this facility for the life of the tenant improvements (up to 20 years). If BACS fails to meet CHFFA standards, the County will be required to ensure continued crisis program operations in the facility, directly, or by retaining another service provider. The County and BACS will also have to negotiate a market rate rent for the County's continued use of this facility. The lease agreement contains a procedure to determine the market rate and this procedure has measures to mitigate financial risks to the County.
- The ongoing operation costs could be higher than anticipated.
- Without an extension of the grant deadline, a substantial portion of the construction and start-up costs will be incurred beyond the deadline, making those costs ineligible for reimbursement. BHCS proposes proceeding with the project, regardless, to avoid further

delays that reduce the amount of available partial reimbursement. The project is critical to community mental health needs and, based on experience in other counties, staff have a high level of confidence the extension will be granted in which case the entire project could be reimbursed out of the grant. Risks of cost overruns would remain even if an extension is granted, and risk of project delays prolonging the project completion beyond the extended deadline, if any, would also remain. BHCS has identified alternate sources of funds to cover any shortfall resulting from denial of the extension request.

BHCS has taken steps to mitigate the risk by selecting a provider with a long history of providing services in compliance with State and Federal regulations to this population. BACS also has an equity stake in the facility and, therefore, is highly incentivized to provide services up to State standards. Under the lease agreement, as required by SB82 regulations, if BACS fails to provide services meeting County requirements as will be set forth in a separate Service Agreement, the County has the right to continue access to the premises and select another provider to continue the services in the facility.

General Services Agency (GSA) will provide regular monitoring of the construction project and provide liaison services under the Project Stabilization and Public Benefits Agreement. Funds from the SB82 Grant in the amount of \$143,315 will be budgeted to support these GSA activities.

SELECTION CRITERIA AND PROCESS:

On December 1, 2015 (item 1), your Board approved a recommendation of a sole-source award to BACS to develop existing facilities using SB82 funds to provide crisis stabilization and crisis residential services.

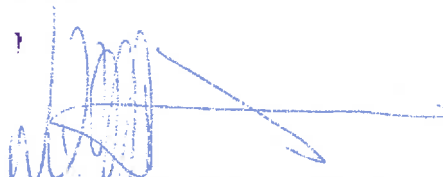
FINANCING:

Approval of this item will not result in an increase in net County cost. One-time costs will be funded by CHFFA Grant ALMD-02. The ongoing costs of operating the Crisis Residential Treatment program at Amber House will be funded through Medi-Cal Revenue and MHSA. The grant amount is included in the FY 2016-2017 budget approved by your Board.

Respectfully submitted,



Rebecca Gebhart, Interim Director
Health Care Services Agency



Willie A. Hopkins, Jr., Director
General Services Agency

RG/WH/pn

cc: Susan S. Muranishi, County Administrator
Steve Manning, Auditor-Controller/Clerk Recorder
Donna R. Ziegler, County Counsel

ALAMEDA COUNTY
12/20/10 # 6.1
F29845

**COUNTY FORM LEASE
COUNTY OF ALAMEDA
FULL SERVICE OFFICE LEASE**

This Lease is made by Bay Area Community Services Housing Corporation, a Non-profit organization (Tax ID 46-4433655) (“Lessor”) and the County of Alameda (“County”) who agree as follows:

RECITALS

WHEREAS, Lessor is the owner of real property located at 516 31st Street, Oakland (Assessor’s Parcel Number 9-715-7); and

WHEREAS, County desires to lease Lessor’s property for the purpose of providing crisis residential treatment and crisis stabilization programs for which it has received funding from the California Health Facilities Financing Authority (Grant Agreement Number ALMD-02); and

WHEREAS, Lessor acknowledges that using its property for the purpose of crisis residential treatment and crisis stabilization programs is a conditional use under the City of Oakland’s Zoning Code; and

WHEREAS, County intends to contract with Bay Area Community Services Housing Corporation (“BACS”) pursuant to a services agreement (the “Services Agreement”), to provide the crisis residential treatment and crisis stabilization programs on Lessor’s property; and

WHEREAS, Lessor currently uses its property for crisis residential treatment and crisis stabilization programs; and

WHEREAS, Lessor received a conditional use permit from the City of Oakland in 1972 (Case No. CM 72-257) to operate a short-term residential facility for discharged patients from 18 years of age and older who are referred by the former State Department of Mental Hygiene Alternate Care Unit; and

WHEREAS, Lessor represents that it conducted appropriate due diligence by consulting with representatives of the City of Oakland’s City Council and Planning Department regarding the necessity of amending the 1972 conditional use permit for the County’s proposed crisis residential treatment and crisis stabilization programs, and thus the necessity of environmental review under the California Environmental Quality Act; and

WHEREAS, based upon consultation with the City of Oakland, Lessor represents and warrants that its property may be used for the County’s proposed crisis residential treatment and crisis stabilization programs as described in Grant Agreement Number ALMD-02 without amendment to the 1972 conditional use permit; and

WHEREAS, in reliance upon Lessor’s representation and warranty with respect to the sufficiency of the 1972 conditional use permit, County’s Board of Supervisors has determined its

C-2010-197

project to provide crisis residential treatment and crisis stabilization programs at Lessor's property is categorically exempt from environmental review under the California Environmental Quality Act

PART ONE

Fundamental Lease Provisions

The fundamental provisions of this Lease are:

1. Lease Execution Date: _____ (by Board of Supervisors)
2. Lessor: Bay Area Community Services Housing Corporation
County: County of Alameda, a political subdivision of the State of California
3. Premises: 516 31st Street, Oakland, CA totaling of approximately 2,891 ± Rentable Square Feet as shown on Exhibit "A". These Premises are located on Assessor's Parcel Number (APN) 9-715-7.
4. Term:
 - a. Duration of Term: Twenty (20) Years (240 calendar months)
 - b. Commencement Date of the Term: As determined in the Paragraph 4.5, "Acceptance of Premises" of Exhibit "B-6" attached to this Lease,
5. Full Service Monthly Rent schedule:

One dollar (\$1) per year, payable in advance. Additional consideration is provided in the form financing for the tenant improvements obtained by the County from the California Health Facilities Financing Authority awarded under Grant SB 82 funds. Notwithstanding the foregoing, from and after the termination of the Services Agreement, the full service monthly rent under this Lease shall increase to the then fair market rental for the Premises as reasonably determined by the parties as further described in paragraph 5 of Part Two.
6. Permitted Use: Crisis Stabilization, Crisis Residential Treatment and related office, administrative, and meeting space for the Alameda County, its officers, employees, contractors and agents.
7. Intentionally Omitted
8. Addresses for Notices and Payment of Rent:

To County:
Real Property Manager
General Services Agency

To Lessor:
Jamie Almanza
Executive Director

1401 Lakeside Drive, 6th Flr.
Oakland, CA 94612

Bay Area Community Services
629 Oakland Ave.
Oakland, CA 94611

9. Exhibits and Other Attachments: The following exhibits and other attachments are attached to this Lease and made a part of this Lease for all purposes.
- Exhibit "A" – Premises Space Plan; Building and site plan(s)
 - Exhibit "B" – Project Stabilization Community Benefits Agreement (B-1, B-2, B-3, B-4, and B-5) and Work Letter (B-6)
 - Exhibit "C" – Insurance Requirements
 - Exhibit "D" – Commencement of Term
 - Exhibit "E" – CHFFA Grant Agreement Number ALMD-02
 - Exhibit "F" – The Grant Regulations
 - Exhibit "G" – Restrictive Covenant
 - Exhibit "H" – Maintenance Schedule
10. Signage: All signage shall be determined by Lessor in Lessor's sole discretion.
11. Definitions:
- a. Building. The term "Building" in this Lease refers to the building in which the Premises are located, as described in Paragraph 3 of these Fundamental Lease Provisions.
 - b. Real Property. "Real Property" or "Property" means the Building, the areas servicing the Building (including any adjacent parking structure and parking area), and the land on which the Building and those areas are located (as shown on the site plan attached to this Lease in Exhibit "A").

Each reference in this Lease to any provision in the Fundamental Lease Provisions shall be construed to incorporate all of the terms provided under such Fundamental Lease Provisions. In the event of any conflict between a provision in the Fundamental Lease Provisions and a provision in the balance of the Lease, the latter shall control.

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Exhibit “A” – Premises and Space Plan

Exhibit “B” – Project Stabilization Community Benefits

Agreement (B-1, B-2, B-3, B-4 and B-5) and Work Letter (B-6)

Exhibit “C” – Insurance Requirements

Exhibit “D” – Commencement of Term

Exhibit “E” – CHFFA Grant Agreement Number ALMD-02

Exhibit “F” – The Grant Regulations

Exhibit "G" – Restrictive Covenant

Exhibit "H" – Maintenance Schedule

PART TWO

Lease Provisions:

1. PREMISES.

- A. Lessor leases to County, and County leases from Lessor, the real property described in Paragraph 3 of the Fundamental Lease Provisions and delineated in Exhibit "A" (the "Premises"). Lessor shall construct the Premises as provided in Exhibit "A" and "B" (the "Space Plan" and "Work Letter"), which exhibit sets forth the obligations of Lessor and County to perform work and to supply materials in connection with the construction of the Premises. County shall have access to the Premises twenty-four (24) hours a day three hundred sixty-five (365) days a year.
- B. During the term of this Lease, County, without additional charge unless otherwise expressly provided herein, is entitled to all of the rights and appurtenances set forth in this Lease, including, but not limited to: (a) the exclusive rights of ingress and egress all times for County and County's contractors, agents, employees, invitees, clients and other persons transacting business with County; and (b) the right to maintain and use existing access to and from the Premises through hallways, corridors, stairs, elevators and fire escapes whether from reception rooms or by private office doors.

2. TERM.

The terms and provisions of this Lease shall be effective between Lessor and County as of the Lease Execution Date described in Paragraph 1 of the Fundamental Lease Provisions. The Term of this Lease shall be for the period stated in Paragraph 4.(a.) of the Fundamental Lease Provisions commencing on the Commencement Date and expiring on the Expiration Date, subject to renewal or termination rights as hereinafter set forth.

3. TENANT IMPROVEMENTS.

- A. Prior to the commencement of the Term, Lessor shall construct the improvements to the Premises substantially as detailed on Exhibits "A" and "B" ("Lessor's Work") The County has received a grant (Grant Agreement Number ALMD-02) ("the Grant"), attached hereto as Exhibit E from the California Health Facilities Financing

- Authority (“CHFFA”), for the facility development and start-up costs associated with delivery of Crisis Stabilization and Crisis Residential Services and that may be used to fund Lessor’s Work. It is the County’s intent to maximize as much as possible reimbursement of the cost of Lessor’s Work from the Grant, for which the Grant Period, as defined by the terms of the Grant, limits the County’s ability to receive reimbursement to those costs incurred prior to June 30, 2017, unless that date is extended by CHFFA. Lessor acknowledges County’s intent to maximize reimbursement of Lessor’s Work from the Grant and in furtherance of that goal shall use best efforts to construct Lessor’s Work within the Grant Period, and to otherwise coordinate and cooperate with County in maximizing reimbursement from the Grant.
- B. Construction of Lessor’s Work shall be subject to the requirements of the Investment in Mental Health Wellness Act of 2013 (SB 82); regulations promulgated by CHFFA at 4 CCR section 7113 *et seq.* (“the Grant Regulations”), attached hereto as Exhibit F; and the terms of the Grant (collectively, “the Legal and Grant Requirements”). Lessor’s project budget for these tenant improvements is \$3,294,604 (the “Cap”) and will be a not-to-exceed amount. The County will not be responsible for any costs for the construction or renovation of the facility, except for those services that involve data line, phone lines and security equipment. Any costs in excess of the Cap shall be the sole responsibility of Lessor and shall not limit Lessor’s obligation to construct Lessor’s Work in accordance with the provisions of this Agreement. The County shall, however, be responsible for the cost of Lessor’s Work within the amount of the Cap, regardless of whether those costs may be reimbursed by CHFFA pursuant to the Grant, subject to the provisions of this paragraph 3.
- C. Lessor shall within five (5) days of execution of the Lease, provide County with copies of the following documents (“the First Advance Documentation”) necessary for County to receive an advance of Grant funds from CHFFA:
1. Fully executed Lease;
 2. Title report as of the effective date of the Lease;
 3. An updated construction timeline including the construction start date;
 4. The final project budget;

5. An updated projection worksheet showing progress of the project in accordance with CHFFA-designated categories.

The First Advance Documentation shall be prepared with a level of detail to allow County to determine whether the proposed expenses would qualify for reimbursement from CHFFA.

- D. Notwithstanding any other provision of this Lease, Lessor shall not begin constructing Lessor's Work until the First Advance Documentation has been received by County, and County has provided Lessor with written notice that it has received confirmation from CHFFA that an advance of Grant funds has or will be approved. County shall have the sole right to terminate this Lease prior to sending notice to Lessor to commence Lessor's Work. If the Lease is terminated in accordance with this paragraph, Lessor shall be entitled to recover from County an amount in accordance with its actual design and permitting costs, with each party bearing its own administrative and legal costs.
- E. Lessor shall submit claims for payment every fourteen (14) days of expenses or obligated but outstanding expenses of hard and soft costs of construction the Lessor's Work in an amount not to exceed \$225,000 for each claim. All claims for payment by Lessor shall be in accordance with the Legal and Grant Requirements and will not exceed the Cap. County shall upon execution of the Lease supply Lessor with appropriate forms for making claims for payment and instructions regarding necessary accompanying documentation. County shall pay all undisputed claims for payment from Lessor within fourteen (14) days of receipt. County shall notify Lessor of any dispute regarding a claim for payment within five (5) days. For disputes solely concerning the adequacy of supporting documentation accompanying the claim for payment, County's deadline for payment to Lessor as measured from the date of receipt of the claim for payment from Lessor shall be extended day for day from the fourteen (14) days it otherwise has to pay under this paragraph in accordance with the number of days Lessor takes to supply the additional documentation. For all other disputes of claims for payment, the parties shall meet and confer within 5 days of notice from the County of the dispute in an effort to resolve the dispute expeditiously.

F. The County's receipt of the second advance of Grant funds from CHFFA is contingent upon submission to CHFFA of revised versions of the First Advance Documentation by June 1, 2017, or such later date reflecting an extension by CHFFA of the Grant Period. Accordingly, and for the sole purpose of implementing the parties mutual goal of maximizing reimbursement of the cost of Lessor's Work from Grant funds, no later than May 1, 2017, or such later date as agreed upon by the parties to reflect an extension by CHFFA of the Grant Period, Lessor shall submit draft revisions of the following documents ("the Second Advance Documentation") reflecting work to date:

1. An updated construction timeline including the construction start date
2. The final project budget
3. An updated projection worksheet showing progress of the project in accordance with CHFFA-designated categories.

The Second Advance Documentation shall be prepared with a level of detail to allow County to determine whether the proposed expenses would qualify for reimbursement from CHFFA. Specifically, the Second Advance Documentation shall include the cost of furniture, fixtures and equipment, unless Lessor can demonstrate why those costs cannot reasonably be incurred prior to June 30, 2017. Upon County's receipt of the initial drafts of the Second Advance Documentation, the parties shall meet and confer no later than May 15, 2017, or such later date as agreed upon by the parties to reflect an extension by CHFFA of the Grant Period, to negotiate any changes to the Second Advance Documentation. Lessor shall submit to County no later than May 25, 2017, or such later date as agreed upon by the parties to reflect an extension by CHFFA of the Grant Period, final versions of the Second Advance Documentation for submission to CHFFA. Lessor shall exercise reasonable efforts to complete that portion of Lessor's Work identified in the Second Advance Documentation to be completed between June 1, 2017 and June 30, 2017 for which the second advance funds from CHFFA are requested by June 30, 2017, excepting delays in performance beyond Lessor's reasonable control, or as those dates are extended by mutual agreement of the parties to reflect an extension of the Grant Period by CHFFA. To the extent any delays in performance are attributable to contractor-caused delay, Lessor

shall assign any claims it may have against its contractor to County and cooperate fully in any action County may commence against that contractor pursuant to the assignment.

- G. Notwithstanding the provisions of sub-paragraph E, payment claims for that portion of Lessor's Work completed between June 1, 2017 and June 30, 2017, or as those dates are extended by mutual agreement of the parties to reflect an extension of the Grant Period by CHFFA, shall be made in accordance with the provisions of this sub-paragraph G ("CHFFA Grant Close-Out Claims for Payment"). Lessor shall submit CHFFA Grant Close-Out Claims for Payment no later than July 21, 2017, or such later date as agreed upon by the parties to reflect an extension by CHFFA of the Grant Period. The CHFFA Grant Close-Out Claim for Payment shall not be subject to the \$225,000 limit on claims for payment as provided in sub-paragraph E, but shall otherwise conform to the requirements of sub-paragraph E with respect to the required supporting documentation. The provisions of this sub-paragraph G shall not apply to subsequent claims for payment in the event Lessor's Work remains incomplete.
- H. If any portion of Lessor's Work remains outstanding at the close of business on June 30, 2017, , or such later date as agreed upon by the parties to reflect an extension by CHFFA of the Grant Period, the parties shall immediately meet and confer to negotiate what, if any changes will be made to payment procedures as a result of the unavailability of Grant funds, and the County's ongoing obligation under the Lease to pay for the costs of Lessor's Work subject to the Cap and the other terms and conditions of the Lease. In the absence of an agreement to make changes to the payment procedures, claims for payment for that portion of Lessor's Work that remains outstanding after June 30, 2017, or such later date as agreed upon by the parties to reflect an extension by CHFFA of the Grant Period, shall be made in accordance with the procedures described in sub-paragraph E.
- I. The Premises shall be delivered substantially as specified in Exhibit "B". Lessor shall build out the Premises substantially as approved by County specifications even if some details are not exactly listed in Exhibits "A" or "B", but are logical and capable of being discussed with County for clarification. As an example, Exhibit "A", which

contains a new conference room, indicates that the Lessor shall construct walls and a door. It is understood that this shall include paint and carpeting. Any notation for a telephone or electrical outlet assumes the conduit and power necessary for such function.

- J. Occupancy of the leased Premises by the County shall not relieve Lessor in any respect from full substantial compliance at all times with aforesaid Exhibits "A" and "B". It is also understood that the Premises will be in compliance with Federal, State, County and City occupancy requirements, operating regulations, and regulatory permits as required for the services provided at this location, including any Medi-Cal licensing, conditional use permit terms, compliance with the California Environmental Quality Act, and the Legal and Grant Requirements. It is further understood and agreed that any installation not in conformity with said Exhibits "A" and "B", as reasonably determined by BACS pursuant to its Services Agreement, shall be immediately corrected by the Lessor at Lessor's sole cost and expense. In the event Lessor shall, after notice in writing from the County requiring the Lessor to comply with the requirements of this paragraph in regard to a specified condition, fail, refuse or neglect to remedy such condition, County may at its option and in addition to any other remedy the County may have perform work on behalf of Lessor and withhold Rent due and bring the leased Premises into conformity with said Exhibits at its own cost, and deduct the amount thereof from the Rent that may then be or thereafter become due hereunder. In addition, the amount of the Cap shall be reduced dollar for dollar by the reasonable cost to the County of performing the work. If the amount of the Cap is so reduced and as a result the amount already paid to Lessor exceeds the revised amount of the Cap, Lessor shall refund the difference to County within 30 days of issuance of a certificate of occupancy.
- K. Intentionally Omitted
- L. Intentionally Omitted.
- M. All work in performance of this Lease must be done by skilled workers or mechanics and be acceptable to BACS. Work performed under this Lease must be in conformance with the prevailing wage provisions of County and State laws. Prevailing wages are to be paid for work to be performed in connection with this

Lease, as provided by relevant provisions of the California Labor Code. Lessor agrees to comply with all applicable provisions of said Code as they relate to the payment of prevailing wages, including but not limited to certified payroll and contractor registration, and Lessor agrees to indemnify, defend and hold County harmless from all claims, costs, causes of action, attorneys fees, damages or liability arising out of or in connection with the failure of Lessor or Lessor's contractors or subcontractors to comply with the applicable provisions of said Code.

N. Lessor warrants that the useful life of the tenant improvements upon their completion shall be equal to the term of this Lease, subject to ordinary wear and tear.

4. CONFIRMATION OF TERM.

Within 15 (fifteen) days after the Commencement Date and the Expiration Date of the Term are determined, Lessor and County shall execute a memorandum setting forth such dates, substantially in the form of Exhibit "C", which memorandum shall thereupon be deemed attached hereto and made a part of this Lease. The failure of the parties to execute such memorandum shall not affect their obligations under this Lease.

5. RENT.

One dollar (\$1) per year, payable in advance. Additional consideration is provided in the form financing for the tenant improvements obtained by the County from the California Health Facilities Financing Authority awarded under Grant SB 82 funds. Notwithstanding the foregoing, from and after the termination of the Services Agreement, the full service monthly rent under this Lease shall increase to the then fair market rental for the Premises as reasonably determined by the parties, who shall promptly meet and confer to agree upon the amount of the fair market rental. If the parties cannot agree through negotiation the amount of fair market rental within 30 days of the date of termination of the Services Agreement, or as may be extended by mutual agreement of the parties, then they shall proceed as follows:

A. Each party shall make a separate determination of the Fair Market Value within fifteen (15) business days, and such determination shall be submitted to an appraiser and arbitration, if necessary, in accordance with paragraphs 5(B) through 5(I) below.

- B. The County and Lessor shall each appoint one California license real estate appraiser who shall have been active over the five (5) year period ending on the date of such appointment in the appraising of commercial buildings in the Alameda County Metro area. Each such appraiser shall be appointed within (15) business days after both parties fail to reach agreement on the purchase price as specified in paragraph 5(A) above.
- C. The two (2) appraisers so appointed shall within thirty (30) business days of the date of the appointment of the last appointed appraiser, jointly decide on the Fair Market Value. If the two (2) appraisers are unable to agree within the specified thirty (30) business days of the last appointed appraiser, they shall jointly agree upon and appoint an arbitrator who shall be qualified under the same real estate appraisal criteria set forth above for qualification of the initial two (2) appraisers.
- D. The arbitrator shall within sixty (60) calendar days reach a decision as to the amount of the purchase price, provided that such amount shall be no less than the lowest and no greater than the highest of the two appointed appraisers' findings. The arbitrator shall notify Lessor and the County thereof. The arbitration shall be conducted in a manner and with rules appropriate for this transaction and shall be at the sole discretion of the appointed arbitrator.
- E. The decision of the arbitrator shall be binding upon Lessor and the County.
- F. If either party fails to appoint an appraiser within the applicable time frames above, then the appraiser appointed by one of them shall reach a decision, notify both parties thereof, and such appraiser's decision shall be binding upon Lessor and the County.
- G. If the two (2) appraisers fail to agree upon and appoint an arbitrator, or if both parties fail to appoint an appraiser, then the appointment of the arbitrator shall be selected by the Presiding Judge of the Alameda County Superior Court, or his or her designee, from an approved list of qualified MAI appraisers or nationally recognized valuation firms, but subject to the instructions set forth in this paragraph 5.
- H. Lessor and the County shall each pay for its own appraisals and appraisers. The costs of the arbitration shall be paid by Lessor and the County equally.
- I. The stated due dates and deadlines in this paragraph may be extended by mutual agreement or by decision of the arbitrator. The arbitrator shall consider the parties' diligence and the necessity of timely completing the arbitration in making such a determination on any requested extension.

6. INTENTIONALLY OMITTED.

7. SERVICES, UTILITIES, MAINTENANCE: GENERAL.

A. As part of the Full Service Monthly Rent, the County shall have access to the Premises at all times without additional payment, including the use, during other than normal hours, of necessary services and utilities such as elevators and freight elevators, toilets, lights, and electric power; provided, however, that from and after the termination of the Services Agreement, the parties shall promptly meet and confer to determine future responsibility for all services, utilities, maintenance and repairs.

B. As part of the Full Service Monthly Rent, Lessor shall provide services, utilities, maintenance and repairs described in Paragraph 9 (Services, Utilities, Maintenance and Repairs) below. The Lessor shall have a building superintendent or a locally designated representative available to manage and coordinate services, and to promptly correct deficiencies; provided, however, that from and after the termination of the Services Agreement, the parties shall promptly meet and confer to determine future responsibility for all services, utilities, maintenance and repairs.

8. FORCE MAJEURE.

Any prevention, delay or stoppage due to acts of God, war, judicial orders, civil commotion, and other causes beyond the reasonable control of either party obligated to perform, shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage.

9. SERVICES, UTILITIES, MAINTENANCE AND REPAIRS.

A. Lessor, at Lessor's sole cost and expense, during the Term shall furnish the following services, utilities, and supplies to the Premises provided that in the event of termination of the Services Agreement, the parties shall negotiate compensation to Lessor for Lessor's actual cost to provide said services, utilities and supplies to the Premises as part of the meet and confer described in paragraph 5.

1. Sewer, trash disposal, and water service, including both hot and cold water to the restrooms.

2. The meters provided by the local utility to furnish water electricity and/or gas as necessary to provide power for water, heating, ventilating, and air conditioning and electrical or gas service as needed for County's operations.
 3. Maintenance and repair services as provided in the Maintenance Schedule attached at Exhibit H.
- B. Lessor shall at its sole cost maintain the Premises, including building systems (including all safety systems) and all equipment, fixtures and appurtenances furnished by Lessor under this Lease, in good repair and tenantable condition, in a manner reasonably acceptable to County, in conformance with all regulations including but not limited to the California Code of Regulations, Title 8 (Division of Industrial Relations) and the licensing requirements necessary to ensure continued operation of the facility for Crisis Stabilization and/or Crisis Residential Treatment, and consistent with any applicable industry building standards so as to minimize breakdowns and reasonably preventable or recurring disruption loss of the County's use of the Premises caused by deferred or inadequate maintenance, as is required for the County's access to, occupancy, possession, use and enjoyment of the Premises as provided in this Lease.
- C. Lessor shall provide prompt repair or correction for any damage or injury to the Premises caused by the acts or omissions of Lessor or its employees or agents and/or caused by Lessor's breach of its obligations under the Lease.
- D. County shall repair any damage or injury to the Premises caused by the acts or omissions of County or its employees or agents and/or caused by County's breach of its obligations under this Lease.
- E. Except in emergency situations, the Lessor shall give not less than five (5) business days prior notice (including phone numbers and a contact to call with any questions or concerns) to County, in the event of any pest control, painting, remodeling, renovation, repair, carpet installation, or other work ("Non-emergency Work") affecting the Premises or common areas of the Building or Property, including but not limited to any Non-emergency Work that generates dust, fumes, mists, vapors, gases or other odors. Lessor shall provide to County at the time of the prior notice copies of all Material Safety Data Sheets for all materials to be used in the Non-emergency Work. Lessor shall ensure the affected areas are properly ventilated and the proper

signs, barriers, or work area notices are properly installed. In case of emergency situation requiring immediate attention, Lessor shall respond to the emergency as appropriate for the situation, shall timely notify County of such emergency situation and after the appropriate response to the situation, have available copies of all Material Safety Data Sheets for all materials used.

- F. The County acknowledges its review of the plans and specifications for Lessor's Work, and that those plans and specifications satisfy the requirements of the Americans with Disabilities Act (ADA) – Building Access. Consistent with those plans and specifications, Lessor shall maintain the Premises at all times in conformity with the Americans with Disabilities Act (ADA) – Building Access, and all later enacted amendments thereof, and shall be responsible for all repairs, alterations and/or maintenance of Building and Premises under said laws. Lessor shall indemnify, defend and hold harmless County, its officers, agents and employees from all claims, liability, damages, or penalties (including costs of investigation and attorneys fees) arising out of Lessor's failure, or alleged failure, to meet its obligations as described herein this Paragraph 9 (F); provided, however, that each party shall not be obligated to pay for the cost for Lessor to comply with subsequent amendments to the ADA to the extent that such amendments obligate Lessor to pay in excess of \$10,000 to comply, in accordance with which of County and Lessor initiates or undertakes changes to the Premises that cause the application of those amendments to the Premises. Alternatively in such instance County shall have the right to terminate this Lease.

10. ALTERATIONS AND CHANGE ORDERS DURING THE TERM.

- A. County shall have the right to erect additions or modify the space ("Alterations and Improvements") to fulfill the stated use of the Premises by County, as in the judgment of County may be appropriate, and all such Alterations and Improvements that may be required by County shall be done at the sole cost, charge, and expense of County, and shall comply with all applicable codes and regulations. If any such Alterations and Improvements increase the cost of maintenance or utilities, then the County shall be obligated to pay all such additional costs and expenses. Additionally, if any such

alterations and Improvements result in the requirement of additional work to the Premises (e.g. if such Alterations and Improvements result in triggering other code compliance work), then the County shall pay the cost of such additional compliance. All such Alterations and Improvements placed therein by County shall remain the property of County and may be removed therefrom by County upon the expiration of this Lease or any sooner termination thereof, at the sole discretion of County.

- B. County shall have the right to install, or to cause a carrier, vendor, or other operator selected by County to install wire, cable, conduit, antenna, satellite dish, or other facility or equipment for use in connection with any telephone, television, telecommunications, computer, internet, or other equipment (which systems, services, and equipment are referred to collectively as "Telecommunications Equipment") in, on, or about the Premises, the Building and its roof, and the Property. In the event County installs Telecommunications Equipment, County shall do so at its sole cost and expense, and County shall obtain, at its sole cost and expense, any and all permits, authorizations, and certificates from all governmental agencies, including, without limitation, such zoning variances or changes as may be required with respect to such Telecommunications Equipment (provided that Lessor agrees to reasonably cooperate with County to obtain same if required by applicable governmental agencies). County's right to install Telecommunications Equipment is subject to the following: (i.) The installation shall be performed by a licensed contractor who is experienced in the installation of such equipment; and (ii) County shall be responsible for all costs of repairs and improvements, including, without limitation, any patching or strengthening of the roof of the Building, which may be necessary on account of, or be necessary for, the installation of the Telecommunications Equipment. Lessor shall not require that all Telecommunications Equipment be provided by one or more designated carriers, vendors, or operators, provided that Lessor shall have the right to require that the installation, maintenance, operation, alteration, repair, or replacement of Telecommunications Equipment by multiple carriers, vendors, or other operators, be coordinated as reasonably necessary for the orderly and efficient management and operation of the Building.
- C. Intentionally omitted.

11. FAILURE IN PERFORMANCE.

The covenant to pay rent and the covenant to provide any service, supply, utility, maintenance, or repair required under this Lease are interdependent. In the event of any failure by Lessor to provide any service, supply, utility, maintenance, repair or replacements required under this Lease which in any manner affects County's use, enjoyment, and occupancy of the Premises, County shall provide Lessor with a written notice specifying the nature of failure. The notice shall specify a reasonable time frame for Lessor to remedy said failure. However, if the failure persists past the time allowed within the written notice, or if Lessor refuses, fails or neglects to comply with such notice, or in the event of an emergency constituting a hazard to the health or safety hazard, the County may by contract or otherwise, perform the required work or service at its own cost and in addition to any other remedy the County may have, deduct from any payment or payments under this Lease, then or thereafter due, the resulting cost to the County, including all administrative costs and any funds recovered from the County by CHFFA resulted from or related to Lessor's failure of performance under this paragraph. If the County elects to perform any such requirement, the County and each of its contractors shall be entitled to access to any and all areas of the Building, access to which is necessary to perform any such requirement, and the Lessor shall afford and facilitate such access. Alternatively, the County may deduct from any payments under this Lease, then or thereafter due, an amount that reflects the reduced value of the contract requirement not performed. No deduction from Rent pursuant to this clause shall constitute a default by the County under this Lease. In each such event of failure as specified in County's written notice to Lessor, if County elects to proceed with the remedies of a deduction from Rent or any other payments due under this Lease, as provided in this Paragraph 11, such single failure shall not constitute a default by Lessor under Paragraph 21.A. but repeated failures by Lessor may constitute a default under Paragraph 21.A. even if County has proceeded to perform the required work or service or made the deductions permitted by this Paragraph 11. These remedies are not exclusive and are in addition to any other remedies, which may be available under this Lease or at law.

12. ASSIGNMENT AND SUBLETTING.

County shall not assign this Lease, or any interest therein, and shall not sublet the Premises, or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person (the agents, servants, business visitors, and other municipal, community-based, and/or governmental organizations working with County excepted) to occupy or use the Premises, or any portion thereof without the written consent of Lessor first had and obtained, and a consent to one assignment, subletting, occupation, or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation, or use by another person. Any such assignment or subletting without such consent shall be void. Lessor shall not unreasonably deny County's request to sublet all or a portion of the Premises or assign this Lease; provided, however, that if County subleases or assigns all or any interest in this Lease, then County shall pay to Lessor 100% of all consideration received by County in connection with such sublease or assignment. Notwithstanding the foregoing, Lessor acknowledges that County may, at any time and from time to time, substitute any County agency or agencies for the County agency or agencies, for the actual agency that occupies the Premises under this Lease, and that which substitution of County agency(ies) shall not be construed as an assignment or subletting, and shall not require Lessor's consent, but each Agency shall be bound by the terms of this Lease. It is the intention of the parties to have BACS serve as County's contracted operator/provider of the Crisis Stabilization and Crisis Residential Treatment programs on the Premises. In the event that BACS ceases serving as the operator/provider of the Crisis Stabilization or Crisis Residential Treatment programs, or fails to perform those services in a manner reasonably satisfactory to the County or in accordance with application Federal, State, or Local laws, regulations or licensing requirements (after expiration of reasonable notice and grace periods), County shall have the option to replace BACS with a different service provider at which time the parties shall promptly comply with the provisions of paragraphs 5 and 7. Such replacement shall not constitute assignment or subletting.

13. HOLD OVER.

County shall have the right to holdover the Premises. Should County hold over the Premises after this Lease has terminated in any manner, such holding over shall be deemed merely a tenancy from month to month and at the then Rent specified in Paragraph 5 for a full service lease occupancy ("Holdover Rent"), but otherwise on the same terms and conditions as herein provided.

14. ENTRY.

Lessor, or its duly authorized representatives or agents, may enter upon the Premises upon two (2) days written notice during the term of this Lease for the purpose of determining whether County is complying with the terms and conditions hereof, or for any other purpose incidental to the rights of the Lessor. In case of emergency only may Lessor or its agents enter Premises without prior consent. Lessor acknowledges that County will use the Premises for Crisis Stabilization and Crisis Residential Treatment programs, and will follow the County's direction and applicable laws, regulations and licensing requirements when entering the Premises pursuant to this paragraph. Lessor may not enter room(s) in the Premises designated by County as confidential. County shall have a separate key to those designated confidential room(s), and shall not be required to provide Lessor a copy of such key until the Lease terminates.

15. INDEMNITY.

County hereby agrees to defend, indemnify, protect and hold harmless Lessor from and against any and all damages, loss claim, cause of action, liability and expense (including reasonable attorneys' fees) to the extent such arise out of County's negligent acts or omissions or willful misconduct occurring in connection with this Lease. Lessor hereby agrees to defend, indemnify, protect and hold harmless County, its officers, employees and agents from and against any and all damage, loss, claim, cause of action, liability and expense (including reasonable attorneys' fees) to the extent such arise out of (1) the negligent acts, omissions or willful misconduct of Lessor or its employees, subcontractors or agents, occurring in connection with this Lease, and (2) any act or omission by Lessor that directly or indirectly causes CHFFA to seek recovery of funds provided under the Grant.

16. INSURANCE AND WAIVER OF SUBROGATION.

- A. Lessor shall maintain commercial general liability insurance and Workers' Compensation insurance in accordance with Exhibit D.
- B. Lessor shall procure and maintain in full force and effect during the term of this Lease, fire and normal extended coverage insurance for one hundred percent (100%) of the full replacement cost of the Premises and County improvements. If the coverage is available and commercially appropriate, such policy or policies shall insure additional costs resulting from debris removal and reasonable amounts of coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of any undamaged sections of the Premises required to be demolished or removed by reason of the enforcement of any building, zoning, safety, or land use laws as the result of a covered cause of loss, but not including plate glass insurance. Said policy or policies shall contain agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor reflecting local cost changes for reconstruction of Premises. Both parties agree to waive any claim against the other for losses to the extent paid under said insurance and said insurance shall contain a waiver of subrogation. If Lessor's insurance covers more than one property, Lessor shall provide County with a letter from Lessor's insurance broker/carrier setting forth the coverage of the Building. Lessor shall provide County with a Certificate of Insurance covering said insurance, which shall provide County with thirty (30) days' advance written notice of cancellation, non-renewal or reduction in the amount of coverage, and mail said certificate to:

Real Property Manager
Alameda County General Services Agency
1401 Lakeside Drive. 10th Floor
Oakland, CA 94612

17. SELF-INSURANCE BY COUNTY.

For the term of this Lease County shall self-insure or maintain, at its own expense, comprehensive general liability insurance in an amount not less than ONE MILLION DOLLARS (\$1,000,000) combined single and aggregate limits for both bodily injury and property damage, personal injury, completed operations and products liability. County insures County's personal property located on or in the Premises.

18. FIRE AND CASUALTY DAMAGE.

- A. If the entire Premises or Building are destroyed by fire or other casualty and repairs cannot reasonably be completed within 60 (sixty) days, this Lease will immediately terminate. "Casualty" shall include but not be limited to, damage caused by fire, flood, inclement weather, acts of God, war, terrorism or bioterrorism or any other means outside the reasonable control of the parties.
- B. In case of partial destruction or damage to the Building, so as to render the Premises untenable or affecting the occupancy, use and quiet enjoyment of the Premises as determined by the County and repairs cannot reasonably be completed within 60 (sixty) days, the County may terminate the Lease by giving written notice to the Lessor within 45 (forty-five) calendar days of the fire or other casualty; if so terminated, no Rent will accrue to the Lessor after such partial destruction or damage; and if not so terminated, the Rent will be reduced proportionately by supplemental agreement hereto effective from the date of such partial destruction or damage. Nothing in this Lease shall be construed as relieving Lessor from liability for damage to or destruction of property of the County of Alameda caused by the willful or negligent act or omission of Lessor. Notwithstanding any provision of the Lease to the contrary, if such damage or destruction occurs within the last year of the Lease, and if repairs cannot reasonably be completed within 60 days, or, no matter when such damage or destruction occurs, if such damage or destruction renders the County Premises untenable, the Lease shall terminate upon receipt of written concurrence of CHFFA or any successor agency, and neither party shall have liability to the other party. If the County Premises are not rendered

untenantable, then the Lease shall remain in full force and effect provided that Lessor can reasonably perform obligations pursuant thereto.

- C. Any total or partial destruction of the Premises resulting from a Casualty not the result of Lessor's own willful act or omission, that renders the Premises untenantable and provision of crisis residential treatment and crisis stabilization programs at the Premises impossible, shall relieve Lessor from liability for payment to County for any related recoupment of Grant funds by CHFFA or any successor agency, excepting that in the event Lessor recovers insurance proceeds resulting from a Casualty and fails to repair or reconstruct the Premises, those insurance proceeds shall first be applied to any recoupment of Grant Funds by CHFFA or any successor agency.

19. INTERRUPTION OF SERVICE:

- A. The obligations of County to perform all of its covenants and agreements under this Lease shall be excused in the event that there shall be an interruption, curtailment, or suspension of the building's or Premise's HVAC, utility, sanitary, elevator, water, telecommunications, security (including equipment, devices, and personnel), or other building systems serving the building and Premises or any other services required of Lessor under this Lease (an "Interruption of Service"), by reason of:
- i) Force Majeure
 - ii) any Casualty as defined in Paragraph 18 above;
 - iii) any accident;
 - iv) an emergency;
 - v) shortages of labor or materials; or
 - vi) any other causes of any kind whatsoever that are beyond the reasonable control of County, including, but not limited to:
 - (1) Lack of access to the Premises including but not limited to the lack of access to the Building or the Premises when it or they are structurally sound but inaccessible due to evacuation of the surrounding area or damage to nearby structures or public areas;

- (2) Any cause outside the Building;
- (3) Reduced air quality or other contaminants with the Premises that would adversely affect the Building or its occupants including but not limited to, the presence of biological or other airborne agents within the Premises and/or surrounding area;
- (4) Disruption of mail and deliveries to the Building or Premises resulting from a Casualty;
- (5) Disruption of telephone and telecommunications services to the building or Premises resulting from a Casualty; or
- (6) Blockages of any windows, doors, or access to the building or Premises resulting from a Casualty.
- (7) Or any other cause that prevents County from beneficial use of the Building, Project, or Premises.

B. County shall be entitled to abatement of rent for the duration of an occurrence of an interruption of Service. In the event the period of Interruption of Service exceeds 60 days, such interruption shall be grounds upon which County may exercise its right to terminate this Lease.

20. MUTUALITY OF OBLIGATION.

The obligations and covenants of the Lessor, and the County's obligation to pay rent and other County obligations and covenants, arising under or related to this Lease, are interdependent. The County may, upon its issuance of and delivery to Lessor of a final decision asserting a claim against Lessor, set off such claim, in whole or in part, as against any payment or payments then or thereafter due the Lessor under this Lease. No setoff pursuant to this clause shall constitute a breach by the County of this Lease.

21. LESSOR DEFAULT: COUNTY'S REMEDIES.

A. Each of the following shall constitute a default by Lessor under this Lease:

1. Subject to Paragraph 11, and Paragraph 19, Lessor's failure to maintain, repair, operate or service the Premises as and when specified in this Lease, or failure to perform any other requirement of this Lease as and when

required provided any such failure shall remain uncured for a period of thirty (30) days next following Lessor's receipt of notice thereof from the County-authorized representative, or, if such matter cannot reasonably be remedied within such 30 day period, then Lessor shall be entitled to a reasonable period in which to cure such matter.

2. Repeated and unexcused failure by Lessor to comply with the same or different requirements of this Lease shall constitute a default notwithstanding that one or all such failures shall have been timely cured pursuant to this clause.
3. Failure to provide crisis residential treatment and crisis stabilization programs pursuant to the Services Agreement resulting in the termination of the Services Agreement.

B. If a default, occurs, the County may, by notice to the Lessor, proceed with either of the following remedies:

1. Terminate this Lease, which termination shall be effective when received by Lessor.
2. In addition to any other remedies at law or in equity, to (i) commence suit against Lessor to compel Lessor's performance (ii) cure such default itself, and offset from Rent the costs thereof, together with interest thereon at the rate of 12% per annum.

C. In addition to any remedies provided herein or at law or in equity, County shall be entitled to recover from Lessor damages corresponding to any amount recovered by CHFFA from the County pursuant to the Grant Agreement occasioned by Lessor's default, in accordance with all of the following::

1. Defaults occasioned by matters beyond Lessor's reasonable control, including but not limited to as is provided in paragraph 18, shall be excepted.
2. The County shall be under obligation to exercise reasonable efforts to secure an alternate provider within an amount of time that would avoid the County defaulting on its own obligations under the Grant where the Premises have not by reason of the default been rendered untenable or

otherwise unavailable for use by an alternative provider. Lessor shall be under a corresponding duty to reasonable cooperate in the County's reasonable efforts to secure the alternative provider. The County's remedy under this sub-paragraph C shall be precluded where the County timely secures an alternate service provider or fails to exercise reasonable efforts to procure an alternate service provider.

3. The County's ability to recover damages under sub-paragraph C shall be only in an amount proportional to Lessor's comparative fault. To the extent the parties cannot reach agreement on the percentage of fault they shall submit to formal mediation with a jointly agreed upon mediator. If mediation is unsuccessful, than the parties shall submit to binding arbitration under the rules of the American Arbitration Association and the decision of the arbitrator(s) shall be enforceable in any court having jurisdiction thereof. Arbitration shall occur only in Alameda County, CA. In the event any dispute is arbitrated, the prevailing Party (as determined by the arbitrator(s)) shall be entitled to recover that Party's reasonable attorney's fees incurred (as determined by the arbitrator(s)).

22. HEADINGS.

The headings used in this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

23. SEVERABILITY.

If any term or provision of the Lease shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Lease shall not be affected thereby, and each term and provision of the Lease shall be valid and be enforceable to the fullest extent permitted by law.

24. NON-DISCRIMINATION.

Lessor agrees that no person in the United States shall on the grounds of race, color, religion, national origin, sex, age, handicapping condition, or sexual preference be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any

program or activity carried out in whole or in part within the facility. Lessor shall not, on the grounds of race, color, religion, national origin, sex, age, handicapping condition, or sexual preference:

- A. Deny any service or other benefit provided in the facility.
- B. Provide a lesser degree of service or other benefit from that provided to others in the facility.
- C. Restrict in any way the enjoyment of any advantage or privilege enjoyed by others receiving services or benefits within the facility.

25. NO WAIVER.

No failure by either party to insist upon the strict performance of any provision of this Lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial Rent or other performance by either party during the continuance of any such breach shall constitute a waiver of any such breach of such provision.

26. CONDEMNATION.

Should the whole or any part of the Premises, Building, or Property be condemned and taken by any competent authority for any public or quasi-public use or purpose, County will be awarded a sum attributable to the present value at the date of the taking of any excess of the market rental value of the Premises for the remainder of the term, and any relocation costs. If the whole of the Premises shall be so condemned and taken, through no fault of the County, then this Lease shall terminate. If a part only of the Premises, Building or Property is condemned and taken and the remaining portion thereof is not suitable for the purposes of which County had leased said Premises, County shall have the right to terminate this Lease. If by such condemnation and taking a part only of the Premises, Building, or Property is taken, and the remaining part thereof is suitable for the purposes for which County has leased said Premises, this Lease shall continue, but the Rental shall be reduced in an amount proportionate to the value of the portion taken as it related to the total value of the Premises, Building or Property to County's operations.

27. RECORDATION AND FILING.

County shall, at its sole option and judgment, record and file, or cause to be recorded and filed, at County's sole cost and expense, a memorandum of this Lease or this entire Lease in the Official Records of Alameda County, California. County shall, upon termination of the Lease, cause to be removed any recordation of this Lease caused by County.

28. COUNTY DEFAULT.

Subject to Paragraph 11 (Failure in Performance), Paragraph 19 (Interruption of Service), and Paragraph 20 (Mutuality of Obligation), the occurrence of any of the following shall constitute a material breach of this Lease by County and an event of default:

- A. A failure by County to pay the rental where such failure continues for thirty (30) days after receipt of written notice thereof by Lessor to County;
- B. A failure by County to observe and perform any other provision of this Lease to be observed or performed by County, where such failure continues for thirty (30) days after written notice thereof by Lessor to County.

29. COUNTY'S RIGHT TO CURE DEFAULT.

If the nature of such default in Paragraph 28 is such that the same cannot reasonably be cured within such 30-day period, County shall not be deemed to be in default so long as County shall within such period commence such cure and thereafter prosecute the same with use of best efforts to completion.

30. LESSOR REMEDIES UPON COUNTY DEFAULT.

Lessor and County agree as follows upon Lessor's remedies for any default by County: In the event of any default by County which remains uncured, then Lessor's sole and limited remedies are: (i) suit for collection of rent or other payments payable by County under this Lease or (ii) suit for specific performance to remedy the specific breach. Lessor waives its right during the term of the lease, to any other remedy it might have in law or equity, including but not limited to the rights to cancel the lease, retake the property or otherwise evict the County.

31. LESSOR'S RIGHT TO CURE COUNTY DEFAULT.

All covenants and agreements to be performed by the County under any of the terms of this Lease shall be at its sole cost and expense. If the County shall fail to pay any sum of money required to be paid by it hereunder, subject to Paragraph 11 (Failure in Performance), Paragraph 19 (Interruption of Service), and Paragraph 20 (Mutuality of Obligation), or shall fail to perform any other act on its part to be performed hereunder and such failure shall have become an event of default as provided herein, the Lessor may, but shall not be obligated to do so, and without waiving or releasing the County from any such obligation, make such payment or perform any such other act on the County's part to be made or performed as provided herein. All sums so paid by the Lessor and all necessary incidental costs shall be deemed Rent hereunder and shall be payable to the Lessor upon Lessor's written demand.

32. BACS FAILURE TO PROVIDE SERVICES.

In the event that BACS stops providing the crisis residential treatment and crisis stabilization services described in the Grant pursuant to a separate agreement with the County, it may substitute another provider of said services. This substitution of service providers shall not be deemed a sublet or assignment, and shall proceed without the necessity of amendment to the lease. .

32. [INTENTIONALLY OMITTED]

33. SURVIVAL.

County's and Lessor's obligations shall survive the expiration of the Term or any other termination of this Lease. This Paragraph is intended to supplement and not to limit other provisions of this Lease pertaining to indemnities and attorney's fees.

34. SUCCESSORS BOUND

All covenants, agreements, terms and conditions contained in this Lease shall bind, and inure to the benefit of, the parties and their respective heirs, executors, administrators, successors, and assigns.

35. WAIVER OF CALIFORNIA CODE PROVISIONS.

County waives the provisions of Civil Code Sections 1932(2) and 1933(4) with respect to the destruction of the Premises.

36. MORTGAGE PROTECTION.

County agrees to give any mortgages and/or trust deed holders, by Certified-Return Receipt U.S. Mail, a copy of any Notice of Default served upon the Lessor by County, provided that prior to such notice County has been requested in writing by Lessor to provide such notice. County further agrees that if Lessor shall have failed to cure such default within the time provided for in this Lease, then the Mortgagees and/or Trust Deed Holders shall have an additional thirty (30) days within which to cure such default but in no event shall the time period afforded such recipients to cure Lessor's default be greater than 30 days longer than the time period afforded Lessor.

37. ASSIGNMENT OF CLAIMS.

- A. The Lessor may assign its rights to be paid amounts due or to become due as a result of the performance of this Lease to a bank trust company, or other financing institution, including any Federal lending agency. The assignee under such an assignment may thereafter further assign or reassign its right under the original assignment to any type of financing institution described in the preceding sentence.
- B. Any assignment or reassignment authorized under this clause shall cover all unpaid amounts payable under this contract, and shall not be made to more than one party, except that an assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in the financing of this contract.

38. STATE OF TITLE; SUBORDINATION AND ATTORNMENT

A. Lessor's Warranty and Representation.

- 1. Lessor agrees and acknowledges that all times during the Term of this Lease (as the same may be extended) Lessor shall not interfere with and shall cooperate, as necessary, for County to comply with applicable requirements of the Grant Regulations, including but not limited to 4 California Code of Regulations section 7126, which provides that any existing or subsequent encumbrance on the

Premises (e.g. deed of trust) or sale of the Premises shall be subject to this Lease; there shall be no delinquent taxes or assessments or, if there are delinquent taxes or assessments, these are being contested in good faith; there shall be no easements, exceptions or restrictions on the use of the Premises that shall interfere with or impair the project (as described in the Recitals of this Lease); and a restrictive covenant shall be recorded in the chain of title evidencing that the Premises shall be used as a Crisis Residential Treatment and Crisis Stabilization Program (as described in the Recitals of this Lease) for the Term of this Lease; and that fee title shall be subject to this Lease and recorded in the chain of title.

2. Lessor warrants and represents to County that there is no recorded and/or nonrecorded matter of any kind whatsoever affecting the Real Property that restricts or impedes, and/or is in conflict with, the use or occupancy of the Premises, and/or the rights, liabilities, and obligations of the parties to this Lease.
3. The provisions of this paragraph shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this paragraph Lessor is referred to, such reference shall be deemed to include Lessor's successors or assigns, and all covenants and agreements by or on behalf of Lessor herein shall bind and apply to Lessor's successors and assigns whether so expressed or not.

B. Future Subordination and Attornment. The lien of any current or future mortgage, deed of trust or any other security instrument, hereafter affecting or encumbering the Real Property (an "Encumbrance"; the holder of the beneficial interest thereunder being referred to as an "Encumbrancer") shall be subordinate to this Lease. An Encumbrancer may subordinate its Encumbrance to this Lease and, if any Encumbrancer so elects by notice to County, this Lease shall be deemed prior to such Encumbrance, now or hereinafter placed on or against the Real Property or on or against Lessor's interests or estate therein without the necessity of having further instruments on the part of County to effect such subordination. Provided, however, that as to any future holder of a mortgage or deed of trust, such subordination shall be effective only if said holder agrees that this Lease shall survive termination of the mortgage or deed of trust by foreclosure, or otherwise, so long as County is not in

default with respect to any material provision of this Lease. In the event of the foreclosure of any mortgage or deed of trust, County shall automatically be and become the tenant of and shall attorn to any mortgagee in possession or purchaser at foreclosure.

- C. Nondisturbance. If, notwithstanding the provisions of sub-paragraphs A and B, any Encumbrance to which this Lease is subordinate is foreclosed, or a deed in lieu of foreclosure is given to the Encumbrancer thereunder, this Lease shall not terminate and the rights and possession of County under this Lease shall not be disturbed if no default by County then exists under this Lease.

39. QUIET ENJOYMENT BY COUNTY.

Lessor covenants that, upon County's performing all of the terms, covenants, and conditions on County's part to be observed and performed hereunder, County shall peaceably and quietly enjoy the Premises hereby demised, free of claims of paramount title or of any Person claiming under or through Lessor and free and clear of all exceptions, reservations, or encumbrances to title, created or suffered by Lessor.

40. TIME OF THE ESSENCE.

Time is of the essence of this Lease and applies to all times, restrictions, conditions and limitations contained herein.

41. ENTIRE AGREEMENT.

This instrument along with any exhibits and attachments hereto constitutes the entire agreement between Lessor and County relative to the Premises and this agreement, and the exhibits and attachments may be altered, amended or revoked only by an instrument in writing signed by both Lessor and County (and approved by County's Board of Supervisors). Lessor and County agree hereby that all prior or contemporaneous oral agreements between and among themselves and their agents or representatives relative to the leasing of the Premises are merged in or revoked by this agreement. No other document submitted by Lessor for County's execution shall in any manner increase or enlarge the obligations of County under this Lease or diminish or adversely affect County's rights under this Lease. Lessor specifically acknowledges that any modification

to the terms of this Lease shall only be by written agreement executed by Lessor and approved by County's Board of Supervisors, pursuant to the public notifications required by ordinance and law. This Lease shall be interpreted under the laws of the State of California.

42. SIGNS.

All signage shall be determined by Lessor in Lessor's sole discretion.

43. NOTICES.

A. Method of Delivery. Notice shall be sufficiently given for all purposes as follows:

- 1). When personally delivered to the recipient, notice is effective on delivery.
- 2). When mailed first-class to the last address of the recipient known to the party giving notice, notice is effective on delivery.
- 3). When mailed by certified mail with return receipt requested, notice is effective on receipt if delivery is confirmed by a return receipt.
- 4). When delivered by *overnight delivery Federal Express/Airborne/United Parcel/DHL WorldWide Express* with charges prepaid or charged to the sender's account, notice is effective on delivery if delivery is confirmed by the delivery service.
- 5). When sent by telex or fax to the last telex or fax number of the recipient known to the party giving notice, notice is effective on receipt as long as (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery or (b) the receiving party delivers a written confirmation of receipt. Any notice given by telex or fax shall be considered to have been received on the next business day if it is received after 5 p.m. (recipient's time) or on a nonbusiness day.

B. Refused, Unclaimed, or Undeliverable Notices. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be considered to be effective as of the first date that the notice was refused, unclaimed, or considered undeliverable by the postal authorities, messenger, or overnight delivery service.

- C. Notices given pursuant to this Paragraph 43, shall be addressed to the respective parties, as shown in Paragraph 8 of the Fundamental Lease Provisions.

44. LESSOR COMPLIANCE WITH ENVIRONMENTAL LAWS

With regard to the Premises, Building, and Property Lessor represents and warrants to County that:

- A. No Hazard.

As of the Commencement Date of Term of this Lease, Lessor has disclosed all releases of Hazardous Materials (as defined below) that have come to be located on or beneath the Premises to its actual knowledge, including Hazardous Materials that may have been manufactured, refined, stored, disposed of, produced or processed on or in any part of the Premises.

- B. Compliance.

Lessor will be in compliance with all federal, state, county or municipal environmental, pollution, health, safety, fire, or building code laws, after completion of the Lessor's Work, and has no knowledge and has received no notice of any federal, state, county or municipal environmental, pollution, health, safety, fire, or building code violations.

- C. No lawsuits.

Neither the Lessor nor any other tenants at the Building have been named as a party in any proceeding or lawsuit for violation of federal, state, or local environmental laws.

- D. Not Under Investigation.

The Building is not currently subject to investigation for alleged federal, state, county or municipal environmental pollution, health, safety, fire, or building code violations.

- E. Indemnity.

Lessor will defend, indemnify, and hold harmless County, its directors, officers, employees, and agents, and any assignees, subtenants or successors to County's interest in the Premises from and against any and all losses, claims, damages, penalties, and liability, including all out-of-pocket litigation costs and the

reasonable fees and expenses of counsel related directly or indirectly to Lessor's violation or breaches of these warranties and/or representations, the presence of Hazardous Materials on the Property not resulting from the County's own negligence or willful misconduct, or the failure to disclose the release of hazardous materials as is required by law, including but not limited to Health and Safety Code section 25359.7.

F. Warranty survives expiration of lease.

The provisions of this warranty relating to hazardous substances will survive the expiration or termination of this Lease.

G. Abatement and termination.

If any cleanup, repair, or similar action is required by any governmental or quasi-governmental agency as a result of the storage, release, or disposal of hazardous substances materials by Lessor, its tenants, agents or contractors at any time, or by any prior owner, and such action requires that the County be closed for business or that access be denied for greater than a 24-hour period, then the rent will be abated entirely during the period beyond 24 hours. If the closure or denial of access persists in excess of 30 days, then, at County's election by written notice to owner given within 10 days after the end of the 30-day period, this lease will end as of the commencement of such disclosure.

H. Definition of Hazardous Material.

As used herein, the term Hazardous Materials shall mean (i) any hazardous or toxic wastes, materials or substances, and other pollutants or contaminants, which are or become regulated by all applicable local, state and federal laws, including but not limited to, 42 U.S.C. 6901 et seq. 42 U.S.C. 9601 et.seq. and California Health and Safety Code Sections 25100 et.seq., and 25300 et. seq.; (ii) petroleum and petroleum-based products, by products and fractions; (iii) asbestos; (iv) polychlorinated biphenyls; and (v) radioactive materials.

45. COMPLIANCE WITH APPLICABLE LAW.

Lessor shall comply with all Federal, state and local laws applicable to the Lessor as owner or Lessor, or both, of the Building or Premises, including, without limitation, laws

applicable to the construction, ownership, alteration or operation of both or either thereof, and will obtain all necessary permits, licenses and similar items at Lessor's expense. The County will comply with all Federal, state and local laws applicable to and enforceable against it as a tenant under this Lease. Consistent with the other provisions of this Lease, each party shall grant the other party a reasonable time in which to cure any violation of law prohibited by this paragraph before declaring default and pursuing remedies.

46. STATEMENT OF LEASE

- A. The County will, within thirty (30) days next following receipt of a joint written request from Lessor and a prospective lender or purchaser of the Building, execute and deliver to Lessor a letter stating that the same is issued subject to the conditions stated in this clause and, if such is the case, that (1) the Lease is in full force and effect; (2) the date to which the rent and other charges have been paid in advance, if any; and (3) whether any notice of default has been issued.
- B. Letters issued pursuant to this clause are subject to the following conditions:
 - (1) That they are based solely upon a reasonably diligent review of the County's Lease file as of the date of issuance;
 - (2) That the County shall not be held liable because of any defect in or condition of the Premises or Building;
 - (3) That the County does not warrant or represent that the Premises or Building comply with applicable Federal, State and local law; and
 - (4) That the Lessor, and each prospective lender and purchaser are deemed to have constructive notice of such facts as would be ascertainable by reasonable prepurchase and precommitment inspection of the Premises and Building and by inquiry to appropriate Federal, State and local officials.

IN WITNESS WHEREOF, the parties have executed this Lease on the dates appearing below their respective signatures.

LESSOR:

COUNTY OF ALAMEDA:

By: Jamie Almanza

By: Scott Haggerty

Scott Haggerty
President, Board of Supervisors

Its: Executive Director

County of Alameda, State of California

Name: Jamie Almanza

Date 1/5/17

Date 12/20/16

Approved as to Form
DONNA ZIEGLER
COUNTY COUNSEL
By: [Signature]

I hereby certify under penalty of perjury that the President of the Board of Supervisors was duly authorized to execute this document on behalf of the County of Alameda by a majority vote of the Board on (date) 12/20/16 and that a copy has been delivered to the President as provided by Government Code Section 25103.

Date 1/7/17

By: Anika Campbell-Belton
Anika Campbell-Belton,
Clerk of the Board
County of Alameda, State of California

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

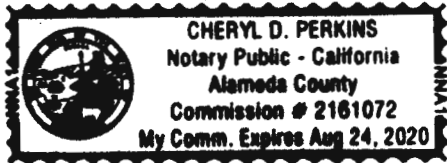
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Alameda)
On January 17, 2017 before me, Cheryl D. Perkins Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Scott Haggerty
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 Cheryl D. Perkins
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____
Document Date: _____ Number of Pages: _____
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

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

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

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Alameda

On January 5th, 2017 before me, Todd P. Connors, notary public
(insert name and title of the officer)

personally appeared Jamie Almanza
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 [Handwritten Signature] (Seal)

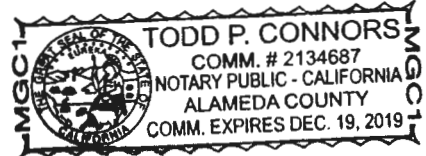


EXHIBIT B-1: LABOR COMPLIANCE PROVISIONS

THE FOLLOWING PROVISIONS SHALL GOVERN LABOR COMPLIANCE FOR THE TENANT IMPROVEMENT WORK DESCRIBED IN EXHIBITS A AND B ("TENANT IMPROVEMENT WORK"):

- 1) **PREVAILING WAGE:** All workers performing Tenant Improvement Work in accordance with this Lease shall be paid by Lessor's contractor at the prevailing wage rates set by the Department of Industrial Relations, and Lessor and its contractor shall comply with the associated requirements of Chapter 1, Part 7 of Division 2 of the Labor Code. Lessor shall indicate this requirement in any solicitation for a general contractor, along with the associated requirements of certified payroll and the hiring of apprentices, and make these requirements enforceable provisions of any construction contract with its general contractor, and between its general contractor and subcontractors, if any.
- 2) **PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT:** The Tenant Improvement Work performed pursuant to this Lease is subject to the requirements of the "PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT for the COUNTY OF ALAMEDA" ("PSCBA"), attached hereto as Exhibit B-4. The Lessor agrees to be party to and bound by the "PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT for the COUNTY OF ALAMEDA". Lessor agrees to execute the "PROJECT STABILIZATION/ COMMUNITY BENEFITS AGREEMENT for the COUNTY OF ALAMEDA Letter of Assent" and shall require its general contractor, and all of its subcontractors, of whatever tier, to become similarly bound for all Tenant Improvement Work by signing an identical Letter of Assent.

A. ROLES AND RESPONSIBILITIES SUBCONTRACTS

- i. Each of Lessor, its general contractor, which includes all subcontractors of any tier, including trucking entities performing Tenant Improvement Work, agrees that neither it nor its general contractor nor any of its subcontractors will subcontract any Tenant Improvement Work except to a person, firm, or corporation who is or becomes party to the PSCBA by signing the Letter of Assent attached as Exhibit B-2. All Contractors performing Tenant Improvement Work shall, as a condition to performing Tenant Improvement Work, become Signatory to and perform all work under the terms of the PSCBA.
- ii. Each of Lessor, and its general contractor, which includes all subcontractors of any tier performing Tenant Improvement Work, shall give written notice to the Union(s) of any subcontract involving the performance of work covered by the PSCBA within either five (5) business days of executing a contract with such subcontract or before the subcontractor commences work on the Tenant Improvements, whichever occurs first. Such notice shall specify the name and address of the subcontractor, the California State License Board license number of the contractors and scope of work to be performed. Written notice at a Pre-Job Conference shall be deemed written notice under this provision only for those subcontractors listed at the Pre-Job Conference
- iii. The Lessor shall be responsible for PSCBA compliance by its general contractor and all subcontractors and lower tier subcontractors, and shall include a provision in Lessor's contract with its general contractor making the general contractor responsible for PSCBA compliance by its general contractor and all subcontractors and lower tier subcontractors.

- B. **WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES:** Lessor shall insert in its contract with its general contractor performing the Tenant Improvement work the following requirements:

- i. The assignment of the Tenant Improvement work to subcontractors is solely the responsibility of the general contractor.
 - ii. Each of the general contractor and all subcontractors of any tier shall conduct a Pre-Job Conference with the Building and Construction Trades Council of Alameda County (Council) prior to commencing Tenant Improvement work as specified in Paragraph 2(C). The general contractor will notify the County in advance of all such conferences.
 - iii. Any jurisdictional disputes regarding the assignment of the Tenant Improvement Work will be resolved per the requirements of the PSCBA.
- C. **PRE-JOB CONFERENCE**: Lessor shall insert in its contract with its general contractor performing the Tenant Improvement work the following requirements:
- i. A mandatory Pre-Job Conference and/or Mark-Up Meeting will be held prior to the commencement of work to establish the scope of work in each contractor and subcontractor contract. All meeting shall be held at the offices of the Alameda County Building and Construction Trades Council.
 - ii. The general contractor performing the work shall have the responsibility for making work assignments in accordance with the PSCBA, and will be required to bring relevant plans, specifications, and blueprints to the meeting, as requested by the Union.
 - iii. The general contractor must submit written workforce projections at the Pre-Job Conference. The workforce projections shall include projected man-hours on a craft-by-craft basis, consistent with the general contractor's bid proposal.
 - iv. The County (via GSA-OAP and GSA-PSCBA Mgr) will schedule and attend all Pre-Job and Mark-Up Meetings and participate in discussions as they pertain to the terms and conditions of the PSCBA.
- D. **JOINT ADMINISTRATIVE COMMITTEE MEETINGS**
- i. The Joint Administrative Committee (JAC) has been established (per Article 8.1 of the PSCBA) to monitor compliance with the PSCBA. The JAC meets monthly and reviews monthly reporting by the general contractor.
 - ii. The Lessor shall require in its contract with its general contractor that the general contractor provide progress report as described in Paragraph 2(H).
- E. **COORDINATOR**: The County will designate a Coordinator (currently DSI), who will be responsible for the administration and application of the PSCBA. The Coordinator's work will require weekly site visits and random in-person worker interviews. The Lessor hereby permits the Coordinator to conduct the weekly site visits and random in-person worker interviews, and will insert in its contract with its general contractor a provision requiring the same. The Coordinator will conduct its site visits and in-person worker interviews in a manner that does not disrupt or delay construction, announce his or her arrival to the foreperson on site, and will obey all safety instructions.
- F. **LOCAL HIRING PROGRAM**: Lessor shall insert in its contract with its general contractor performing the Tenant Improvement Work the following requirements:
- i. The general contractor agrees to achieve the inclusion of Residents as defined in the PSCBA in the employment and apprenticeship opportunities created by the Tenant Improvement Work, which will be known as the Local Hiring Program (LHP) as described in the PSCBA.
 - ii. The general contractor agrees to a goal that Residents of the County will perform forty percent (40%) of all hours worked on the Tenant Improvement Work, on a craft-by-craft basis, if such workers are available, capable and willing to work on the projects, together with the apprentice goals described in Paragraph 2G of this Document.

- iii. The general contractor and subcontractors shall make good faith efforts to reach these goals, as described in the PSCBA including but not limited to the following:
- a) Within one week of the issuance of the Notice to Proceed, or similar such document directing the general contractor to commence construction, the general contractor shall meet with the County (GSA-PSCBA Mgr.) and Lessor to review and approve its compliance plan for reaching the Local Hiring Goals, using the required compliance plan form provided by the County (see attached).
 - b) Submit copies of hiring hall dispatch requests and responses to the County (GSA-PSCBA Mgr) within ten (10) days of County's request at any point during the execution of the Tenant Improvement Work.
 - c) Immediately contact the County (GSA-PSCBA Mgr) if a union hiring hall dispatcher will not or cannot, upon request of the general contractor, dispatch local residents.
 - d) Use the "Name Call," "Rehire" or other available hiring hall procedures to reach goals and shall provide documentation of such requests to the County (GSA-PSCBA Mgr) upon request.
 - e) Use community based organizations as a resource for local labor resources, if a union will not or cannot provide local Residents as requested.
 - f) Sponsor local Residents for apprenticeship, when possible.
 - g) Maintain records for each Resident of Alameda County who was referred but not hired along with an explanation why the worker was not hired.
 - h) Document participation in any local employment training programs and submit documentation of such to the County (GSA-PSCBA Mgr) within ten (10) days if requested by County.
 - i) For the purpose of reaching the goal established in Paragraph 2(F)(iii)(a), a general contractor may qualify for full credit toward the goal by employing Alameda County Residents for other work the Contractor is performing in any of the nine Bay Area counties of: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Marin, Solano, Napa and Sonoma as outlined in the PSCBA.

G. APPRENTICES: Lessor shall insert in its contract with its general contractor performing the Tenant Improvement Work the following requirements:

- i. Although the PSCBA states that the County shall make available to the Unions a database of apprentices qualifying under the local hiring provision of the PSCBA, the County has not developed this database. The general contractor is to contact the Unions for available apprentices.

For the Tenant Improvement Work, the general contractor will be responsible to ensure that it and/or its subcontractors hire at least one (1) new apprentice for the first \$1 million of construction value and for each succeeding \$5 million of construction contract value, the general contractor and/or its subcontractors will be required to hire at least one (1) additional new apprentice. All such apprentices may be graduates of pre apprenticeship programs with known and successful track record of apprentice placement into jobs. All the pre apprenticeship program graduates must be Residents of Alameda County and members of a Disadvantaged Population, as described in the PSCBA.

- ii. The general contractor shall exercise their best efforts to recruit apprenticeship program applicants from Residents and who are members of a Disadvantaged Population as described in the PSCBA

- iii. The general contractor shall request dispatch of apprentices in writing from the local Unions and/or Joint Apprenticeship Training Committee in which the general contractor participates. Copies of the written requests shall be provided to the County within ten (10) days of request by the Coordinator.
- iv. For the purposes of meeting the goal established in Paragraph 2(F)(iii)(a) of this Exhibit, the general contractor may qualify for full credit toward the goal by employing Alameda County Residents as apprentices for other work the Contractor is performing in any of the nine Bay Area counties of: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Marin, Solano, Napa and Sonoma as described in the PSCBA

H. DATA COLLECTION AND REPORTING

- i. This Paragraph describes Contractor and data collection, reporting guidelines and responsibilities for the PSCBA. Lessor shall insert the requirements of this paragraph in its contract with its general contractor.
- ii. On a monthly basis, the general contractor must submit reports to the County (via Elation) on the status and progress of local hiring on a craft-by-craft basis, including utilization of apprentices as described in Exhibit B-3, "PSCBA Forms".

I. HELMETS TO HARDHATS: VETERAN EMPLOYMENT: Lessor shall insert in its contract with its general contractor performing the Tenant Improvement work the following requirements:

- i. The general contractor agrees to utilize the series of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and Center's "Helmets to Hardhats" program to serve as a resources for preliminary orientations, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as described in the PSCBA.
- ii. The general contractor may also utilize the services of the "Swords to Ploughshares" program.

3) PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT/ LABOR COMPLIANCE PROGRAM MONITORING.

- A. The County has elected to retain the services of a third party to monitor compliance with the PSCBA and associated provisions of the California Labor Code.
- B. The PSCBA/Labor Compliance Program ("PSCBA/LCP") will enforce the PSCBA, including the local hiring requirement. PSCBA/LCP services do not limit the scope of the Tenant Improvement Work and do not relieve the Lessor or its general contractor of any responsibility for coordination of the Tenant Improvement Work with the California Labor Code or the PSCBA.
- C. The Lessor shall be responsible for any costs that the County incurs as the result of any actions taken by DIR, or by the County when exercising its enforcement duties, to address general contractor and/or Subcontractor violations related to California Labor Code or the PSCBA. If the Lessor, general contractor or any of its Subcontractor are notified that they should take certain actions to be in compliance with the PSCBA or applicable state law and those actions are not taken or not taken in a timely manner, then the County shall have the right to recover the cost of all work performed by or for the County or its contractors from the date of such notice and the County shall have the right to back charge the Lessor for any and all costs associated with such work. The Lessor shall insert this requirement in its contract with its general contractor.
- D. Lessor shall require certified payroll reports for the duration of the Tenant

Improvement Work be maintained by the general contractor and submitted electronically, and are subject to all of the following conditions:

- i. Certified Payroll Reports (CPR) shall be submitted to the County (Elation) electronically on the web-based software system, described in Exhibit B-5 "Prevailing Wage and Related Labor Requirements Certification", to be utilized for collection and verification of payroll reports for the Tenant Improvement work.
- ii. CPR must contain all of information required by California Labor Code section 1776 and must be organized in a manner that is similar or identical to the format in which the information is reported on the DIR "Public Works Payroll Reporting Form" (Form A-1-131);
- iii. Statement of Compliance. CPR shall be accompanied by a signed "Statement of Compliance" certifying that the payroll reports are correct and complete and that each laborer or mechanic has been paid not less than the proper prevailing wage rate for the work performed. The wording of the certification shall comply with California Labor Code section 1776 and 29 C.F.R. § 5.5(a)(3)(ii)(B)-(D).
- iv. Electronic CPR submitted to the County, the DIR Division of Labor Standards Enforcement (DLSE), or other entity within the DIR, must be in the form of a non-modifiable image or record that bears an electronic signature or includes a copy of any original certification made on paper. Printed reports submitted on paper with an original signature will be accepted as supplemental information to electronic reports, and will not relieve the general contractor or its Subcontractor from their obligation to submit electronic reports.

4) **CONTRACTOR REGISTRATION**

- A. The Lessor shall ensure that its general contractor and all subcontractors performing the Tenant Improvement Work have registered with the Department of Industrial Relations in accordance with the requirements of Labor Code section 1725.5.
- B. The cost of registration shall be considered as included within the not to exceed amount in Paragraph 3 of the Lease, and shall not be charged additionally to County.

EXHIBIT B-2 (Letter of Assent)

**PROJECT STABILIZATION/COMMUNITY BENEFITS
AGREEMENT**

for the

COUNTY OF ALAMEDA

CONTRACTOR AGREEMENT TO BE BOUND

The undersigned, as a Contractor or Subcontractor (CONTRACTOR) on the _____ Tenant Improvement Work on behalf of tenant County of Alameda (hereinafter PROJECT), for and in consideration of the award to it of a contract to perform work on said PROJECTS, and in further consideration of the mutual promises made in the "Project Stabilization/Community Benefits Agreement for the County of Alameda Project" (hereinafter AGREEMENT), a copy of which was received and is acknowledged, hereby:

- (1) Accepts and agrees to be bound by the terms and conditions of the AGREEMENT, together with any and all amendments and supplements now existing or which are later made thereto;
- (2) The CONTRACTOR agrees to be bound by the legally established local trust agreements as set forth in Article 14 of this AGREEMENT.
- (3) The CONTRACTOR authorizes the parties to such local trust agreements to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the CONTRACTOR;
- (4) Certifies that it has no commitments or agreements which would preclude its full and complete compliance with the terms and conditions of said AGREEMENT.
- (5) Agrees to secure from any CONTRACTORS (as defined in said AGREEMENT) which is or becomes a Subcontractor (of any tier) to it, a duly executed Agreement to be Bound in form identical to this document.

Dated: _____

(Name of Contractor)

(Name of Prime Contractor or Higher
Title) Level Subcontractor)

(Authorized Officer &

CA Number _____

(Address)

Contract or Project # _____

(Phone)

(Fax)

Exhibit B-3

PROJECT STABILIZATION/COMMUNITY BENEFIT AGREEMENT
of the COUNTY OF ALAMEDA
FORMS

The Lessor shall require its general contractor and each subcontractor at all tiers to complete and submit all forms required by the Labor Compliance Program Guidebook included in this Lease as "PSCBA FORMS".



Labor Management Consultants
1630 12th Street
Oakland, CA 94607
www.davillier-sloan.com

Labor Compliance Program Guidebook

Please provide this packet to all subcontractors with instruction that they provide it to all lower tier subcontractors. The Design-Build contractor is ultimately responsible for labor compliance on the entire project.

Labor Compliance

Emilija Basic
(510) 385-1261
emilija@davillier-sloan.com

Certified Payroll

Elation Systems, Inc.
(925) 924-0340
support@elationsystems.com

The information in this Guidebook is for general guidance on the matters of Labor Compliance monitoring. Davillier-Sloan, Inc. makes every attempt to ensure the information contained in the Guidebook is free from errors and obtained from accurate and current sources. Davillier-Sloan, Inc. reserves the right, at its discretion, to change or modify all or any part of this packet. Periodically revised updated copies may be obtained by emailing a request to info@davillier-sloan.com.

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DAVILLIER-SLOAN, INC.
LABOR MANAGEMENT CONSULTANTS

Section 1: Introduction

- A. Overview
- B. Prevailing Wage Determinations
- C. Site Visits
- D. Required Forms
- E. Project/Program Closeout
- F. Apprenticeship Utilization

Overview

Davillier-Sloan, Inc. (DSI) is a third party Labor Compliance Program (LCP) administrator. This LCP Guidebook has been developed for your reference and highlights the requirements, submittals and timelines necessary to be compliant with the program.

Certified Payrolls for this project will be submitted electronically into the Elation web based program. Related forms will be available online and should be accessed and downloaded according to the instructions provided by Elation Systems once you have registered on the site.

The law requires that all workers including employees, independent contractors, owner-operators etc. on a public works project must be paid the prevailing wage of the area in which the project is located. Detailed information pertaining to labor compliance may be found in the contract specifications.

Prevailing Wage Determinations

The California prevailing wage determinations are based on the first bid advertisement/publication date. For design build projects, the construction contract signing/construction contract award date shall be considered the bid advertisement date.

The California prevailing wage determinations and rates are published twice each year, in February and August. All determinations are effective ten (10) days after issuance. Some trades are issued regionally (Northern and Southern California) and other sub trades are by the county in which the project is located. There are separate determinations for apprentices on public works.

The prevailing wage determination by craft can be found on the Department of Industrial Relations (DIR) web site: www.dir.ca.gov (Labor Law/Public Works). Prevailing wage determinations and any rate changes must be posted at the job site available for workers to view.

Asterisk (*) clarifications:

- Prevailing wage determinations with a single asterisk (*) after the expiration date, which are in effect on the date of advertisement of bids, remain in effect for the life of the project.
- Interested parties should contact the DIR at (415) 703-4774 for the new rates after ten (10) days from the expiration date (if no subsequent determination is required).
- Prevailing wage determinations with double asterisks (**) after the expiration date indicate that the basic hourly rate, overtime, holiday pay and employers' payments for work performed after this date have been predetermined. If work is to extend past this date, the new rates must be paid and should be incorporated into contracts entered now.

Site Visits

Site visits will be conducted weekly. Information on certified payrolls will be verified by visual inspection and random in-person worker interviews.

Required Forms

The required forms are available for download in the Elations system. Copies of completed, signed forms should be forwarded to the appropriate agency and uploaded into Elation for verification.

Prior to Construction Forms

1. Checklist of Labor Law Requirements

The Design-Build contractor and each subcontractor at all tiers must complete and submit this form acknowledging the California Labor Codes Regulations governing public works projects.

2. Division of Apprenticeship Standards Form DAS 140 Public Works Contract Award Information

- The general contractor and each subcontractor at all tiers must complete and submit this form to the local Apprenticeship Committee to inform them of the award of your contract.
- Submit the DAS 140 to the Joint Apprenticeship Training Committee (JATC) for each apprentice able craft or trade within the area of the project site. The general contractor and each subcontractor at all tiers must submit this form within ten (10) days of the date of the execution of the contract but no later than the first day the contractor has workers employed on-site.

3. Division of Apprenticeship Standards Form DAS 142 Request for Dispatch of an Apprentice

- The general contractor and each subcontractor at all tiers must complete and submit a Request for Dispatch of an Apprentice in writing at least 72 business hours prior to the date apprentices are needed.
- Submit the DAS 142 to each of the JATCs in the area of the project for each apprenticeable craft, until the required number of apprentices has been provided. If the required number of apprentices is not provided and a request has been submitted to all of the Committee's in the area of the project, then the contractor shall be considered in compliance.

4. Alameda County PS/CBA Local Hiring Compliance Plan

- This form serves as the "Local Hiring Plan" document described in Section 2F of Exhibit B-1 and as further described in the PSCBA.
- The responses on this form shall serve as the basis for local hiring on the project.
- As described in Section 2F of Exhibit B-1, the Contractor shall complete this form and submit it to the County and the Lessor within one week of issuance of the notice to proceed or similar document. The Lessor and County must approve the proposed Local Hiring Plan.

5. Pre-Job Conference Request

- The contractor shall submit this form at the same time it requests the Pre-Job Conference described in Section 2C of Exhibit B-1.

- The Pre-Job Conference Request form shall list all subcontractors of any tier and all proposed scopes of work. Incomplete forms will not be accepted. A Pre-Job Conference Request form shall be considered incomplete if it omits any work proposed to be performed by a subcontractor of any tier.
6. Alameda County PS/CBA Project Information Form
- In accordance with Section 2(A)(ii) of Exhibit B-1, this form provides the County and the Union(s) with notice of subcontractors to be performing work on the project to the extent subcontractors are not identified in the Pre-Job Conference on the Pre-Job Conference Request form when, for example, there is substitution of subcontractors after the Pre-Job Conference.
 - Submit this form at the same time as submission of the Pre-Job Conference form, and within 24-hours of subcontractor substitution.

During Construction Forms

1. Statement of Employer Payments

Must be submitted with the first certified payroll, when prevailing wage rates are updated, and when there is a change in fringe benefits.

Additional annuity payments can be indicated in the notes section of the CPR and a union dispatch slip should be uploaded into the Elation System.

2. California Apprentice Council Training Fund Contribution (CAC -2)

The training fund contributions to the CAC are due on the 15th of each month for work performed during the preceding month. Refer to the DIR applicable prevailing wage determinations for the amount owed for each hour of work performed for journeymen and apprentices.

3. Statement of Non-Performance (when applicable)

This form is submitted when the contractor is not working on the job site for a period of more than one week but has not completed their work. Does not need to be submitted until after the first certified payroll report is received.

One form may be submitted for consecutive non-performing weeks.

4. Certified Payroll Reporting Form

Any person employed upon the project that is working with tools must be listed on the certified payroll including but not limited to owners, operators, surveyors, and foremen.

The certified payroll records shall be submitted and maintained electronically subject to the following conditions:

- i. The certified payroll reports contain all of the information required by California Labor Code Section 1776. The information must include name, address, social security number, craft, classification, wages, and hours worked.
- ii. The reports shall be in a format and/or use software that is readily accessible to Contractors, Awarding Bodies, LCPs, the DIR, and the DOL.

Certified Payroll submitted to DSI, the DLSE, or another entity within the DIR must be in the form of a non-modifiable image or record that bears an electronic signature or includes a copy of any original certification made on paper.

The requirements for redacting information shall be followed when certified payroll records are disclosed to the public pursuant to California Labor Code Section 1776(e). This requirement will apply whether the records are provided electronically or as hard copies.

No general contractor or subcontractor shall be mandated to submit or receive electronic reports when it otherwise lacks the resources or capacity to do so, nor shall any general contractor or subcontractor be required to purchase or use proprietary software that is not generally available to the public.

5. Statement of Compliance Certificate

A Statement of Compliance shall accompany each certified payroll record.

6. Verification of Apprenticeship Status (DAS)

Verification is available on the DIR website at

<http://www.dir.ca.gov/DAS/appcertpw/AppCertSearch.asp>.

Project/Program Closeout

Contractor Affidavit

Verifies the contractor's information, work classifications used, type of work completed, first payroll report date to final payroll report date, and how the apprenticeship utilization requirement was reached.

Apprenticeship Utilization

California Labor Codes require Contractors to hire apprentices unless the total construction contract for the project is less than \$30,000 or it is not an apprenticeable craft.

Contractors, including Design-Build, General or Specialty subcontractors shall employ registered apprentices during the performance of public works in accordance with the required one (1) hour of work performed by an apprentice for every five (5) hours of work performed by a journeyman. Unless an exemption has been granted, the contractor shall employ apprentices for the number computed above, before the end of the contract or provide good faith effort documentation.



DAVILLIER-SLOAN, INC.
LABOR MANAGEMENT CONSULTANTS

**Section 2:
Prior to Construction Forms**

- A. Checklist of Labor Law Requirements
- B. Public Works Contract Award Information (DAS 140 Form)
- C. Request for Dispatch of an Apprentice (DAS 142 Form)
- D. Alameda County PS/CBA Local Hiring Compliance Plan
- E. Pre-Job Conference Request
- F. Alameda County PS/CBA Project Information Form

Checklist of Labor Law Requirements

(CCR Title 8, Section 16421)

Ultimately the prime contractor is liable for their sub and specialty contractors. This checklist is a useful tool for the prime contractor to ensure that their sub and specialty contractors know their responsibilities on public works projects. Contractors who understand and comply with the law are more likely to deliver the job on time, on budget and done right the first time. We suggest the prime contractor encourage completion of this checklist by their sub and specialty contractors.

NAME (PRINT) _____ DATE _____
COMPANY _____ PHONE _____
ADDRESS _____ FAX _____
CITY _____ STATE _____ ZIP CODE _____
PROJECT MANAGER _____ SUPERINTENDENT/FOREMAN _____
CERTIFIED PAYROLL _____ PHONE/EXT. _____
CONTRACTOR LICENSE NO. _____ EXP. DATE _____ SPECIALTY LICENSE NO. _____
SELF-INSURED CERTIFICATE NO. _____ WORKERS COMP. POLICY NO. _____
PROJECT NAME _____ PROJECT #/BID PACKAGE# _____
AWARDING BODY _____ ADVERTISEMENT DATE _____
IF SUB-CONTRACTING, LIST YOUR PRIME/GENERAL CONTRACTOR _____
CONTRACT AWARD AMOUNT _____

THE FEDERAL AND STATE LABOR LAW REQUIREMENTS APPLICABLE TO THE CONTRACT ARE COMPOSED OF, BUT NOT LIMITED TO, THE FOLLOWING:

Payment of Prevailing Wage Rates

The contractor to whom the contract is awarded and its subcontractors hired for the public works project are required to pay not less than the specified general prevailing wage rates to all workers employed in the execution of the contract. *Labor Code Section 1770 et seq.*

The contractor is responsible for ascertaining and complying with all current general prevailing wage rates for crafts and any rate changes that occur during the life of the contract. Information on all prevailing wage rates and all rate changes are to be posted at the job site for all workers to view. Additionally, current wage rate information can be found at the DLSR web site, www.dlr.ca.gov/dlsr/statistics_research.html.

Apprentices

It is the duty of the contractor and subcontractors to employ registered apprentices on the public works project and to comply with all aspects of *Labor Code Section 1777.5*, relating to Apprentices on Public Works. (1) Notify approved apprenticeship programs of contract award; (2) employ apprentices; (3) pay training fund contributions.

Penalties

There are penalties required for contractor's/subcontractor's failure to pay prevailing wages and for failure to employ apprentices, including forfeitures and debarment under *Labor Code Sections 1775; 1776; 1777.1; 1777.7 and 1813.*

Certified Payroll Reports

Under *Labor Code Section 1776*, contractors and subcontractors are required to keep accurate payroll records showing the name, address, social security number and work classification of each employee and owner performing work; also the straight time and overtime hours worked each day for each week, the fringe benefits, and, the actual per diem wage paid to each owner, journey person, apprentice worker or other employee hired in connection with the public works project.

This requirement includes and applies to all subcontractors performing work on Awarding Body projects even if their portion of the work is less than one half of one percent (0.05%) of the total amount of the contract.

The certified payroll records shall contain the same data fields listed on the *Public Works Payroll Reporting Form (A-1-131)* and contain or is accompanied by a declaration made under penalty of perjury. (*California Code of Regulations, Section 16401*).

Prime Contractors are responsible for submittal of their payrolls and those of their respective subcontractors as one package. Any payroll not submitted in the proper form will be rejected. In the event that there has been no work performed during a

Checklist of Labor Law Requirements, continued

given week, the Certified Payroll Report shall be annotated: "No work" for that week or a Non-Performance Statement must be submitted.

Employee payroll records shall be certified and shall be made available for inspection at all reasonable hours at the principal office of the contractor/subcontractor, or shall be furnished to any employee, or his/her authorized representative on request, pursuant to *Labor Code Section 1776*.

Under *Labor Code Section 1776(g)* there are penalties required for contractor's/subcontractor's failure to maintain and submit copies of certified payroll records on request.

Nondiscrimination in Employment

There exist prohibitions against employment discrimination under *Labor Code Sections 1735 and 1777.6*, the *Government Code*, the *Public Contracts Code*, and *Title VII of the Civil Rights Act of 1964*.

Kickbacks Prohibited

Contractors and subcontractors are prohibited from recapturing wages illegally by accepting or extracting "kickbacks" from employee wages under *Labor Code Section 1778*.

Acceptance of Fees Prohibited

There exists a prohibition against contractor/subcontractor acceptance of fees for registering any person for public work under *Labor Code Section 1779*; or for filling work orders on public works contracts pursuant to *Labor Code Section 1780*.

Listing of Subcontractors

All prime contractors are required to list properly all subcontractors hired to perform work on the public works projects covering more than one-half of one percent, pursuant to *Government Code Section 4104*.

Proper Licensing

Contractors are required to be licensed properly and to require that all subcontractors be properly licensed. Penalties are required for employing workers while unlicensed under *Labor Code Section 1021* and under the California Contractor License Law found at *Business and Professions Code Section 7000 et seq.*

Unfair Competition Prohibited

Contractors and sub-contractors are prohibited from engaging in unfair competition as specified under *Business and Professions Code Sections 17200 to 17208*.

Workers Compensation Insurance

Labor Code Section 1861 requires that contractors and subcontractors be insured properly for Workers Compensation.

OSHA

Contractors and subcontractors are required to abide by the Occupational, Safety and Health laws and regulations that apply to the particular construction project.

Proof of Eligibility/Citizenship

The federal prohibition against hiring undocumented workers, and the requirement to secure proof of eligibility/citizenship from all workers, is required.

Itemized Wage Statement

Labor Code Section 226 requires that employees be provided with itemized wage statements.

CERTIFICATION

I acknowledge that I have been informed and am aware of the foregoing requirements and that I am authorized to make this certification on behalf of _____

(COMPANY NAME)

I fully understand that failure to comply with any of the above requirements may subject me, or my company, to penalties as provided above.

Contractor

(SIGNATURE)

(DATE)

Awarding Agency / Labor Compliance Program

(SIGNATURE)

(DATE)

PUBLIC WORKS CONTRACT AWARD INFORMATION

Contract award information must be sent to your Apprenticeship Committee if you are approved to train. If you are not approved to train, you must send the information (which may be this form) to ALL applicable Apprenticeship Committees in your craft or trade in the area of the site of the public work. Go to: <http://www.dir.ca.gov/das/PublicWorksForms.htm> for information about programs in your area and trade. You may also consult your local Division of Apprenticeship Standards (DAS) office whose telephone number may be found in your local directory under California, State of, Industrial Relations, Division of Apprenticeship Standards.

Do not send this form to the Division of Apprenticeship Standards.

NAME OF YOUR COMPANY	CONTRACTOR'S STATE LICENSE NO
MAILING ADDRESS- NUMBER & STREET, CITY, ZIP CODE	AREA CODE & TELEPHONE NO
NAME & ADDRESS OF PUBLIC WORKS PROJECT	DATE YOUR CONTRACT EXECUTED
	DATE OF EXPECTED OR ACTUAL START OF PROJECT
NAME & ADDRESS OF PUBLIC AGENCY AWARDED CONTRACT	ESTIMATED NUMBER OF JOURNEYMEN HOURS
	OCCUPATION OF APPRENTICE
THIS FORM IS BEING SENT TO (NAME & ADDRESS OF APPRENTICESHIP PROGRAM(S))	ESTIMATED NUMBER OF APPRENTICE HOURS
	APPROXIMATE DATES TO BE EMPLOYED

This is not a request for dispatch of apprentices.

Contractors must make a separate request for actual dispatch, in accordance with Section 230.1(a) California Code of Regulations

Check One Of The Boxes Below

1. We are already approved to train apprentices by the _____
Apprenticeship Committee. We will employ and train under their Standards. Enter name of the Committee
2. We will comply with the standards of _____
Apprenticeship Committee for the duration of this job only. Enter name of the Committee
3. We will employ and train apprentices in accordance with the California Apprenticeship Council regulations, including § 230.1 (c) which requires that apprentices employed on public projects can only be assigned to perform work of the craft or trade to which the apprentice is registered and that the apprentices must at all times work with or under the direct supervision of journeyman/men.

Signature _____ Date _____

Typed Name _____

Title _____

**State of California - Department of Industrial Relations DIVISION
OF APPRENTICESHIP STANDARDS**



REQUEST FOR DISPATCH OF AN APPRENTICE – DAS 142 FORM

DO NOT SEND THIS FORM TO DAS

You may use this form to request dispatch of an apprentice from the Apprenticeship Committee in the craft or trade in the area of the public work. Go to: <http://www.dir.ca.gov/databases/das/pwaddrstart.asp> for information about programs in your area and trade. You may also consult your local Division Apprenticeship Standards (DAS) office whose telephone number may be found in your local directory under California, State of, Industrial Relations, Division of Apprenticeship Standards. **Except for projects with less than 40 hours of journeyman work, you must request and employ apprentices in no less than 8 hour increments.**

Date: _____	Contractor Requesting Dispatch:
To Applicable Apprenticeship Committee:	Name: _____
Name: _____	Address: _____
Address: _____	_____
Tel. No. _____ Fax No. _____	License No. _____
	Tel. No. _____ Fax No. _____

Project Information:

Contract No. _____

Name of the Project: _____

Address: _____

Dispatch Request Information:

Number of Apprentice(s) Needed: _____ **Craft or Trade:** _____

Date Apprentice(s) to Report: _____ (72 hrs. notice required) **Time to Report:** _____

Name of Person to Report to: _____

Address to Report to: _____

*You may use this form to make your written request for the dispatch of an apprentice. Requests for dispatch must be in writing and submitted at least 72 hours in advance (excluding weekends and holidays) via first class mail, fax or email. **Proof of submission may be required.** Please take note of California Code of Regulations, Title 8, § 230.1 (a) for all applicable requirements regarding apprenticeship requests and/or visit <http://www.dir.ca.gov/DAS/DASApprenticesOnPublicWorksSummaryOfRequirements.htm>*

DAS 142 (Revised 04/14)

Alameda County PS/CBA Local Hiring Compliance Plan
To be filled out by contractors at every tier. Please type or print clearly.

Alameda County Project Name _____
Contractor Name _____ GC or Subcontractor

Scope of Work _____
(Further explanation can be attached on separate sheet of paper)

Contract Amount _____ Phone & Email: _____

Estimated Start Date: _____ Estimated Completion Date: _____

List all trades anticipated: _____
If craft area allows, are you willing to sponsor new apprentices? Yes _____ No _____

Are you signatory to one or more unions? Yes _____ No _____ Please list: _____

Estimated number of peak workforce: _____ Estimated peak workforce date: _____

Estimated number of journeypersons to be hired: _____
Estimated number of hours to be worked by journeypersons: _____
Estimated number of apprentices to be hired: _____
Estimated number of hours to be worked by apprentices: _____

Contractor's narrative description of plan for hiring local area journeypersons and apprentices:

Follow-up meeting: _____

Agreement confirmed:

Contractor Representative:

Jake Sloan
Davillier Sloan, Inc.
Date:

Sign & Print Name:
Date:

**Project Stabilization/Community Benefits Agreement
Local Hiring Program & Good Faith Efforts**

The following is a summary of the Local Hiring Program. Please refer to the PS/CBA for details.

- Alameda County residents will perform up to 40% of all hours worked on the PS/CBA covered project, on a craft-by-craft basis, if such workers are available, capable and willing to work on the Project, together with the apprentice goals in Article 18.
- Contractors shall make good faith efforts to reach these goals. Unions shall make good faith efforts to assist the contractor in reaching this goal.
- For this PS/CBA project, the Design-Build Entity will be responsible to ensure that it and/or its subcontractors hire at least one (1) new stage apprentice for the first \$1 million of the Design-Build Agreement construction value and for each succeeding \$5 million of construction value, the Design-Build Entity and/or its subcontractors will be required to hire at least one (1) additional new first stage apprentice.

The following are some of the “Good Faith” steps that a contractor can take to demonstrate that it has made every effort to reach the local hiring goals of the PS/CBA. This list is a minimum and additional efforts may be required.

- The Contractors shall **attend the scheduled pre-job meetings**. At this meeting, the Contractor must submit written workforce projections and projected man-hours on a craft-by-craft basis, consistent with the Contractor’s bid proposal. In the event the pre-job meeting is waived, the Contractor must submit written workforce projections to the Coordinator within five (5) days.
- Within one week of the issuance of the Notice to Proceed, the Contractors shall **meet with the Coordinator to review and approve its compliance plan** for reaching the Local Hiring Goals, using the required compliance plan form provided by the County.
- The Contractors shall submit **copies of hiring hall dispatch requests and responses** to the Coordinator within ten (10) days of Coordinator’s request at any point during the execution of the Project.
- The Contractors shall **immediately contact the Coordinator if a union hiring hall dispatcher will not or cannot, upon request of the Contractor, dispatch local Residents**.
- The Contractors shall use the “Name Call,” “Rehire” or other available hiring hall procedures to reach goals and shall **provide documentation** of such requests to the Coordinator upon request.

- The Contractors shall **use community based organizations as a resource** for local labor resources, if a union will not or cannot provide local Residents as requested, and in conformity with the collectively bargained union hiring hall agreement.
- The Contractors shall **sponsor local Residents** as defined herein for apprenticeship, when possible.
- The Contractors shall **maintain records for each Resident** of Alameda County who was referred but not hired along with an explanation why the worker was not hired. Upon request, such records shall be made available for review by the County, Coordinator, and JAC for the duration of the Covered Projects.
- The Contractors shall **document participation in any local employment training programs** and submit documentation of such to the Coordinator within ten (10) days if requested by Coordinator.
- Contractor **may qualify for full credit** toward the goal by employing Alameda County Residents for other work the Contractor is performing in any of the nine Bay Area counties of: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Marin, Solano, Napa and Sonoma. Credit will only be given for work performed during the life of the Covered Project. In order to receive such credit, the Contractor must submit certified payrolls as documentation to the Coordinator. No credit for off-site work will be allowed until the Contractor has demonstrated a good faith effort to reach the goal on the Covered Projects and has received approval from

Alameda County PS/CBA PROJECT INFORMATION FORM
To be filled out by project prime contractor only. Please type or print clearly.

Complete Alameda County Project #/Name _____

General Contractor _____ Contract Amount _____

Address, City, State, Zip _____

Scope of Work _____

(Further explanation can be attached on separate sheet of paper)

Project Manager _____

Phone Number (office) _____ (cell) _____

E-mail Address _____

Certified payroll contact _____

Phone Number (certified payroll) _____ (fax) _____

E-mail Address _____

Estimated Start Date _____ Estimated Completion Date _____

Please attach a subcontractor list and notify DSI when a new subcontractor (any tier) begins work on-site.



**Section 3:
During Construction Submittals**

- A. Statement of Employer Payments
- B. CAC Training Fund Contributions (CAC-2 Form)
- C. Statement of Non-Performance
- D. Public Works Payroll Reporting Form (A-1-131 Form)
- E. Verification of Apprenticeship Status

Statement of Employer Payments

Date:		In Reply, Refer to Case No:	
Prime:			
Subcontractor:			
PROJECT NAME:			
PROJECT CONTRACT NO.:		County/location:	
HEALTH AND WELFARE			
NAME OF PLAN		Address, City and Zip	
ADMINISTRATOR		Address, City and Zip	
CLASSIFICATION(S) USED		CONTRIBUTION PER CLASSIFICATION PER HOUR	
CONTRIBUTIONS: WEEKLY MONTHLY QUARTERLY ANNUALLY			
PENSION			
NAME OF PLAN		Address, City and Zip	
ADMINISTRATOR		Address, City and Zip	
CLASSIFICATION(S) USED		CONTRIBUTION PER CLASSIFICATION PER HOUR	
CONTRIBUTIONS: WEEKLY MONTHLY QUARTERLY ANNUALLY			
VACATION/HOLIDAY			
NAME OF PLAN		Address, City and Zip	
ADMINISTRATOR		Address, City and Zip	
CLASSIFICATION(S) USED		CONTRIBUTION PER CLASSIFICATION PER HOUR	
CONTRIBUTIONS: WEEKLY MONTHLY QUARTERLY ANNUALLY			
TRAINING			
NAME OF PLAN		Address, City and Zip	
ADMINISTRATOR		Address, City and Zip	
CLASSIFICATION(S) USED		CONTRIBUTION PER CLASSIFICATION PER HOUR	
CONTRIBUTIONS: WEEKLY MONTHLY QUARTERLY ANNUALLY			



IF YOU USE OTHER PLANS NOT LISTED ABOVE, YOU MAY USE THE BACK OF THIS FORM TO PROVIDE THIS ADDITIONAL INFORMATION



Division of Apprenticeship Standards (DAS)

CAC - Training Fund Contributions

You must enter all requested information in order to ensure successful submission and processing of your payment.
 Training Fund Contributions are due on the 15th of each month.

All fields with * are required

If there is no work for a particular month you do not need to submit a CAC2 form with zero amount for that month.

You must use the **BUTTON** on the bottom of the page to submit for an invoice coupon.
 TO NAVIGATE BETWEEN FIELDS, DO NOT HIT RETURN OR ENTER KEY AFTER EACH ENTRY. USE THE TAB KEY INSTEAD.

You need to have a working printer currently connected to your computer in order to print the complete paper form in the end of this session so that you can mail it with your payment

Training Fund Contributions Form CAC2

Date: 2/2/2016

CLEAR FORM

Contractor/Sub Contractor making contributions	Contractor	Period covered by contribution (from – to)	Jobsite Location (including County)
* Name: <input type="text"/>	* License Number <input type="text"/>	Period Start <input type="text"/>	If applicable, give name of school, hospital, building, etc. <input type="text"/>
* Address: <input type="text"/>	* Contract/Project Number <input type="text"/>	Period End: <input type="text"/>	Comments <input type="text"/>
* City: <input type="text"/>		(MM/DD/YY)	
* State: <input type="text"/>			
* ZIP: <input type="text"/>			

* Name of the submitting party: <input type="text"/>	* Submitter's Title: <input type="text"/>	* Submitter's Email: <input type="text"/>	* Submitter's Phone: e.g., (999) 999-9999 <input type="text"/>
---	--	--	--

Instructions: You may want to use the keyboard TAB key to navigate the fields and the Up | Down V ARROW keys to select a list item.

	* County of Work	* Classification *	* Hours (min.: 0.5; max: 9 999.99)	* Rate (min.: 0.01; max: \$9.99)	Amount
*1)	Select a county ▼	Select an occupation ▼	** <input type="text"/>	\$ ** <input type="text"/>	\$ 0.00
2)	Select a county ▼	Select an occupation ▼	<input type="text"/>	\$ <input type="text"/>	\$ 0.00
3)	Select a county ▼	Select an occupation ▼	<input type="text"/>	\$ <input type="text"/>	\$ 0.00
4)	Select a county ▼	Select an occupation ▼	<input type="text"/>	\$ <input type="text"/>	\$ 0.00
5)	Select a county ▼	Select an occupation ▼	<input type="text"/>	\$ <input type="text"/>	\$ 0.00
6)	Select a county ▼	Select an occupation ▼	<input type="text"/>	\$ <input type="text"/>	\$ 0.00

				\$		
7)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
8)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
9)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
10)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
11)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
12)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
13)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
14)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
15)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
16)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
17)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
18)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
19)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00
20)	Select a county ▾	Select an occupation ▾		\$		\$ 0.00

Footnote 1 – If you are unable to locate the occupation in the pull down menu, please click on this link:
<http://www.dir.ca.gov/databases/das/pwaddirstart.asp> for specific information assistance.

TOTAL AMOUNT: \$ 0.00

When done with some or all the entries above, please carefully review and then enter the green code you see below:

51839

Calculate Total Amount

August 2014

TO BE TYPED ON COMPANY LETTERHEAD

STATEMENT OF NON-PERFORMANCE

Payroll # _____

Date _____

I do hereby state that no persons employed on the construction of the _____
(Project Name)

Project, for _____ Company, Contract No. _____
(Awarding Body)

During the payroll period commencing on the _____ th day of _____, 201_

and ending on the _____ th day of _____, 201_.

(Company Name)

(Authorized Signer)



PUBLIC WORKS PAYROLL REPORTING FORM

NAME OF CONTRACTOR: OR SUBCONTRACTOR:		CONTRACTOR'S LICENSE NO.:		ADDRESS:																						
PAYROLL NO.:		FOR WEEK ENDING:		SPECIALTY LICENSE NO.:																						
				PROJECT OR CONTRACTING NO.:																						
				PROJECT AND LOCATION:																						
(1) NAME, ADDRESS AND SOCIAL SECURITY NUMBER OF EMPLOYEE	(2) NO OF WITH- HOLDING NUMBERS	(3) WORK CLASSIFICATION	(4) DAY							(5) TOTAL HOURS	(6) HOURLY RATE OF PAY	(7) GROSS AMOUNT EARNED		(8) DEDUCTIONS, CONTRIBUTIONS AND PAYMENTS								(9) NET WGS PAID FOR WEEK	CHECK NO.			
			M	T	W	TH	F	S	S			THIS PROJECT	ALL PROJECTS	FED. TAX	FICA (SOC. SEC.)	STATE TAX	SDI	VAC/ HOLIDAY	HEALTH & WELF.	PENSION						
			DATE											FED. TAX	FICA (SOC. SEC.)	STATE TAX	SDI	VAC/ HOLIDAY	HEALTH & WELF.	PENSION						
			HOURS WORKED EACH DAY																							
		S																								
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		S																								
		O																								

Form A-1-11 (Rev 2-82)

S = STRAIGHT TIME
O = OVERTIME
SDI = STATE DISABILITY INSURANCE

*OTHER - Any other deductions, contributions and/or payments whether or not included or required by prevailing wage determinations must be separately listed. Use extra sheet(s) if necessary

CERTIFICATION **MUST** be completed (See reverse side)

NOTICE TO PUBLIC ENTITY

For Privacy Considerations

Fold back along dotted line prior to copying for release to general public (private persons).

(Paper Size then 8-1/2 x 11 inches)

I, _____, the undersigned, am the
(Name - print)

_____ with the authority to act for and on behalf of
(Position in business)

_____, certify under penalty of perjury
(Name of business and/or contractor)

that the records or copies thereof submitted and consisting of _____
(Description, number of pages)

are the originals or true, full, and correct copies of the originals which depict the payroll record(s)
of the actual disbursements by way of cash, check, or whatever form to the individual or
individuals named.

Date: _____ Signature: _____

A public entity may require a stricter and/or more extensive form of certification.



Division of Apprenticeship Standards (DAS)

Apprentice certification

Apprenticeship certification for public works

Enter search string (LLLL9999) here

How to compile the search string:

The search string is a total of nine letters and numbers (no characters ' , - , etc); the first four letters of the last name (use spaces to make four letters if the last name is shorter than four letters), the first letter of the first name and the last four digits of the social security number (LLLL9999). Letters can be entered as lower or upper case.

Examples:

Uncle Sam ssn 123-45-6789 would be entered as Sam U6789
Goddess Minerva ssn 123-45-5555 would be entered as MineG5555
Richard Al-Ham ssn 111-44-1111 would be entered as AlHaR1111
Robert O'Brien ssn 111-22-3333 would be entered as OBriR3333
James McHenry ssn 555-66-1234 might be entered as McHeJ1234 or Mc HJ1234

If you cannot find the individual you are looking for, complete the certifications you have and see the notes below.

If a search string that was entered does not match with any apprentices in the Division of Apprenticeship Standards (DAS) database, this could be due to any of the following:

1. Not a registered apprentice.
2. The submitted search string does not match to DAS records (either the database has the wrong search criteria or you have the wrong search criteria).
3. The apprentice agreement has not been submitted to DAS or has not been entered into the database (agreements must be submitted within 30 days of the date that the apprentice signed the agreement).

If you believe that the apprentice should be reported as registered and is not, please contact your local office of the Division of Apprenticeship Standards.



SECTION 4: CLOSEOUT

**This form must be submitted to DSI
during project/program closeout**

A. Contractor Affidavit

Contractor Affidavit
Contract # _____

1. I am the _____ (owner, officer, partner) of
_____ (Company) who performed work on the
_____ (Project) in the classification (s) of

The labor performed by these workers can best be described by
_____.

2. During the payroll periods commencing on _____ and
ending on _____ all persons employed by my company
on this project have been paid the specified prevailing rate of per diem wages for
the specified craft or classification pursuant to Labor Code Section 1771¹.

3. The apprenticeship committee (s) either denied or failed to respond to
our request for the dispatch of apprentices, and therefore all workers were
classified as journeyman

Or

4. Apprentice (s) worked a total of _____ hours and _____
journeyman worked a total of _____ hours establishing an
apprentice \ journeyman ratio in hours of _____ to _____.

Or

5. Apprentices were employed in accordance with the DAS exemption that
required one apprentice for every five journeyman employed on each day of the
contract.

Executed this _____ day of _____ 20____, at _____, California.

Signature

¹ Except for public works project of one thousand dollars (\$1000) or less , not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works.

Exhibit B-4

DOCUMENT 00 73 49B

FOR INFORMATION ONLY

PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT

for the

COUNTY OF ALAMEDA

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PREAMBLE

This Agreement is made and entered into on this ____ day of _____ 2013, by and between the County of Alameda ("County") together with Contractors and/or subcontractors, who shall subsequently become signatory to this Agreement by signing the "Contractor Agreement To Be Bound" (Exhibit A), ("Contractors"), the Building and Construction Trades Council of Alameda County, AFL-CIO ("Council") and the Local Unions signatory hereto, all in their behalf and in behalf of the various Local Unions involved, ("Union(s)") for the construction of all Covered Projects ("Covered Projects").

Recitals

WHEREAS, the Projects described in this Agreement have been identified by the County as those in which a Project Stabilization/Community Benefits Agreement would benefit the County; and

WHEREAS, the Contractors will be engaged in construction of the project; and

WHEREAS, a skilled labor pool represented by Building Trades Unions will be required to complete the work involved; and

WHEREAS, the Building Trades Unions agree to cooperate in every way possible with employees of the Contractors; and

WHEREAS, the parties to this Agreement mutually agree that safety, quality, productivity and labor harmony are primary goals; and

WHEREAS, the County desires to provide, enhance and encourage construction training and employment opportunities for Alameda County residents and small business enterprises within the County through apprentice and pre-apprentice programs; and

WHEREAS, the County also desires to use this Agreement as a vehicle for building the capacity of Alameda County residents and businesses and to maximize their potential to successfully participate in other large scale projects; and

WHEREAS, the parties recognize the need for safe, efficient and speedy construction in order to reduce unnecessary delays and result in timely completion of the project; and

WHEREAS, the parties desire to mutually establish and stabilize wages, hours and working conditions for the employees employed on the project by the Contractors, and further to encourage close cooperation to achieve a satisfactory, continuous and harmonious relationship between the parties to this Agreement;

WHEREAS, the County of Alameda's mission is to enrich the lives of all residents through visionary policies and accessible, responsible and effective services and historically the County

has supported contracting outreach programs that recognize the economic and workforce development potential of capital construction projects on government owned facilities; and

WHEREAS, the Parties recognize that disadvantaged individuals, families, and communities within the county experience high unemployment and are also often recipients of County services, and that these disadvantaged populations may economically benefit through participation in local hire, apprenticeship and pre-apprenticeship programs; and

WHEREAS, the Union(s), Contractors, subcontractors, and the County wish to insure labor peace at the Covered Project sites devoid of any disruption that could jeopardize the schedule and timeliness of the construction process, where both Contractors that are signatory to collective bargaining agreements of the Union(s) are supervising employees that are members of the Union(s) and where Contractors that are not Signatory to collective bargaining agreements are supervising employees;

NOW THEREFORE, the parties, in consideration of the mutual promises and covenants herein contained, mutually agree as follows:

ARTICLE 1

DEFINITIONS

1.1 For purposes of this Agreement, the following terms will have the following meanings:

"Acceptance" shall mean action by the County notifying Contractor and other entities of Completion, as required by and in accordance with contract terms and relevant applicable statutes.

"Agreement" shall mean this Project Stabilization/Community Benefit Agreement.

"Alternative Employees" shall mean an employee whose services have been obtained from other than the Union referral facilities as permitted in Section 19.6 of this Agreement.

"Apprentice" shall mean a person enrolled in a State approved apprenticeship training program administered by a Joint Labor-Management Apprenticeship Training Committee (JATC).

"Completion" means that the work of Contractors' is completed, as follows:

1. The occupation, beneficial use, and enjoyment of a work of improvement, excluding any operation only for testing, startup, or commissioning, by the public agency, or its agent, accompanied by a cessation of labor on the work of improvement.
2. The acceptance by the public agency, or its agent, of the work of improvement.

"Contractors" means all contractors and subcontractors at all tiers, any individual, firm, partnership or corporation, or combination thereof, including joint ventures, which is an

independent business enterprise and has entered into a contract with the County or any of its contractors or subcontractors at any tier, with respect to the construction work covered by this Agreement and necessary for the project or any part thereof, including construction building material delivery (if the material is for direct incorporation) and removal truckers, trucking companies and trucking brokers, including the operating of construction equipment, performance of labor and/or installation of materials.

"Coordinator" shall mean the company or individual designated or retained by the County to administer this Agreement.

"Core Employee" shall mean an individual meeting the criteria listed in Section 19.1.1-19.1.5.

"Council" shall mean the Building and Construction Trades Council of Alameda County.

"County" shall mean the County of Alameda acting by and through its Board of Supervisors, Agency and Department heads and administrative staff.

"Covered Projects" and "Projects" means projects covered by the Agreement.

"Covered Work" means work done on the project and subject to the provisions of this Agreement.

"Disadvantaged Population" shall mean those Residents of Alameda County who meet at least one of the following criteria: household income below 50% of the Alameda County median, non-minor dependent youth (AB-12 youth – emancipated foster youth), homeless, welfare recipients, have a history of involvement with the criminal justice system, are unemployed, or a single parent.

"Emergency Work" shall mean those projects undertaken when an immediate or imminent critical impact to a facility or to the ability to provide essential services is likely within 30 days should no further action be taken, or in circumstances where mandatory environmental, health and/or safety requirements will be violated without said project.

"General Prevailing Wage Determination" shall mean the decisions made by the Director of the California Department of Industrial Relations (DIR) establishing a journeyman craft or classification's prevailing wage determination, holiday, advisory scope of work, or travel and subsistence provision.

"Local Hiring Goals" shall mean the Resident and Apprentice hiring goals set forth in Article 17 and Article 18 of this Agreement.

"Local Hiring Program" shall mean the program set forth in Article 17 and Article 18 of this Agreement intended to achieve the inclusion of County Residents in the employment and apprenticeship opportunities created by the Covered Work.

"Master Labor Agreement" or "MLA" shall mean the collective bargaining agreement of each craft Union that is Signatory to this Agreement.

"New Apprentice" shall mean an Alameda County Resident who on the date that such individual is hired or assigned to perform the applicable work, is newly enrolled (less than one year) in a labor-management apprenticeship program that is currently registered with the State of California's Division of Apprenticeship Standards.

"Owner Operator" shall mean a sole individual that owns and drives/operates a maximum of one unit and who is employed in the movement or transportation of materials or goods of another. The owner operator shall be carried on the payroll of the entity that employs or otherwise uses the Owner/Operator. The Owner/Operator shall direct a maximum of one unit which he or she shall drive themselves. In addition the owner operator must provide documentation of insurance, a business license, and a valid motor carrier permit issued solely in their name.

"Post Disaster Work" shall mean County approved construction projects consistent with Post Disaster response and recovery efforts per the California Government Code Section 20168 where the public interest and necessity demand immediate expenditure of public funds to safeguard life, health, or property following a local, state or federally declared disaster per the Stafford Act.

"Project Manager" shall mean the person or persons designated by the County of Alameda Board of Supervisors to act on behalf of the County in all matters involving or related to individual Covered Projects..

"Resident" shall mean an individual who has lived or resided in Alameda County for a period of not less than thirty (30) calendar days prior to the date of dispatch/referral of that individual by the Union to a Contractor performing work on the project or for a period of not less than thirty (30) calendar days prior to applying for work or inclusion in the Local Hire Program if the individual is an Alternative Employee, a Core Employee, a member of a Disadvantaged Population, or a Local Hire Program applicant.

"Signatory" shall mean those Unions who have through their officers and or agents executed this Agreement.

"Sole Proprietor" shall mean an owner who will self-perform the designated Covered Project Work without hiring field support staff for the Project.

"Trust Agreements" shall mean the agreements between Unions and employers and or employer associations to govern trust funds contributed on behalf of covered workers for benefits for said workers.

"Union" or "Unions" shall mean the Building and Construction Trades Council of Alameda County and its affiliated local unions Signatory to the Agreement, acting on their own behalf or on behalf of their respective affiliates and member organizations.

ARTICLE 2

PURPOSE

- 2.1 The purposes of this Agreement are to promote efficient construction operations on the Projects, to insure an adequate supply of skilled craftspeople and to provide for peaceful, efficient and binding procedures for settling labor disputes. In so doing, the parties to this Agreement establish the foundation to promote the public interest, to provide a safe work place, to assure high quality construction, to ensure uninterrupted construction Projects, and to secure optimum productivity, on-schedule performance and County satisfaction.
- 2.2 It is the intent of the parties to set out uniform and fair working conditions for the efficient completion of the Projects, maintain harmonious labor/management relations and eliminate strikes, lockouts and other delays.
- 2.3 The parties agree that one of the primary purposes of this Agreement is to avoid the tensions that might arise on the Projects if union and nonunion workers of different employers were to work side by side on the Projects thereby leading to labor disputes that could delay completion of the Projects.
- 2.4 This Agreement is entered into pursuant to and consistent with California Public Contract Code ("PCC") Sections 2500 through 2502. PCC Section 2500(e)(3) requires a public entity PLA to include an agreed-upon protocol concerning drug testing for workers employed on the Projects, as set forth in Article 16.3.

ARTICLE 3

SCOPE OF AGREEMENT

- 3.1 The parties agree that this Agreement will cover all projects undertaken by the County of Alameda with a construction value of \$1 million or more. In addition, the Agreement will cover all projects with a construction value of \$1 million or more which are undertaken on behalf of the County or in circumstances where County is executing projects for Special Districts. The parties further agree that the Board of Supervisors may at their discretion elect to include any project with a value less than \$1 million under the terms of this Agreement.
- 3.2 This Agreement covers all on-site construction, fabrication, demolition, alteration, painting or repair of buildings, structures, landscaping, temporary fencing and other work and related activities that are within the craft jurisdiction of one of the Union(s) and that is part of the work, including site preparation, survey work, and all construction, demolition or improvements required to be performed as a condition of approval by the County.

- 3.3 This Agreement shall apply only to construction/craft employees, performing work on projects represented by the Signatory Unions, and shall not apply to Contractors' supervisors, technical or non-manual employees including, but not limited to, executives, engineers, office and clerical employees, drafters, architects, supervisors, timekeepers, messengers, guards, other employees above the classification of general foreman, inspectors, material testers, and/or x-ray technicians, except to the extent that such inspectors, material testers, and/or x-ray technicians are customarily covered by the MLA and as to which classification a prevailing wage determination has been published.
- 3.4 There shall be no limitation or restriction upon the choice of materials or upon the full use and installation of equipment, machinery, package units, factory pre-cast, prefabricated or preassembled materials, tools or other labor-saving devices. The lawful fabrication provisions of the appropriate national or local agreements shall be applicable. The covered projects include work necessary for the covered projects and/or in temporary yards or areas adjacent to and dedicated to the covered projects, and at any batch plant(s) constructed or used solely to supply materials to the Covered Projects, when those sites or processes are dedicated exclusively to the covered projects.
- 3.5 This Agreement covers all on-site fabrication work over which the County or Contractors possess the right of control (including work done for the covered projects in any temporary yard or area established for the Covered Projects). Additionally, any offsite work, including fabrication, necessary for the Covered Projects defined herein, that is lawfully covered by a current MLA or local addenda to a National Agreement of the applicable Union(s) that is in effect as of the execution of this Agreement shall be considered covered work under this Agreement.
- 3.6 This Agreement shall apply to any start-up, calibration, performance testing, repair, maintenance, operational revisions to systems and/or subsystems performed up to 9 months after Completion by the Contractors. It is understood the County reserves the right to perform any start-up, operation, repair, maintenance or revision of equipment or systems with employees of the County. If required, Contractor's personnel may make a final check and may direct their staff on site to make any necessary repairs to protect the terms of a manufacturer's guarantee or warranty of a piece of equipment.
- 3.7 The on-site installation or application of all items shall be performed by the craft having jurisdiction over such work as set forth under the provisions of this Agreement; provided, however, it is recognized that installation of specialty items which may be furnished by the County or a Contractor shall be performed by construction persons of the vendor or other companies where necessary to protect a manufacturer's warranty. The issue of whether it is necessary to use construction persons of the vendor or other companies to protect the manufacturer's warranty shall be subject to the grievance and arbitration clause of this Agreement.
- 3.8 It is recognized by the parties to this Agreement that the Coordinator designated in Article 9 below, and Contractors are acting only on behalf of said Coordinator and

Contractors, and said Coordinator and Contractors have no authority, either expressed, implied, actual, apparent or ostensible, to speak for or bind the County.

- 3.9 It is expressly agreed and understood that the County retains the right and ability to meet all competitive bidding requirements of public contracting law and to select the lowest responsive and responsible bidder who provides the County with best value within a stipulated sum regardless of union signatory status. Further, the County may, at its sole discretion, end, delay, and/or suspend any or all portions of the work and may combine, consolidate, modify and/or not build any one or more portions of work covered by this Agreement at any time.
- 3.10 It is expressly agreed and understood by the parties hereto that the County shall retain the right at all times to perform and/or subcontract all portions of the construction and related work on project sites not covered by this Agreement.
- 3.11 It is expressly agreed and understood by the parties hereto that the County shall have the right to purchase material and equipment from any source and the craftspersons will handle and install such material and equipment, subject to the requirements of Section 3.6.
- 3.12 Without limiting the foregoing, items specifically excluded from the scope of this Agreement include the following:
 - 3.12.1 The operation of equipment and machinery owned or controlled by the County and its subcontractors and not directly related to construction of covered projects;
 - 3.12.2 All employees of any Contractor or any other consultant of the County not performing construction craft labor within the scope of this Agreement;
 - 3.12.3 Any work performed on or near or leading to or on to the site of work covered by this Agreement and undertaken by state, county, city or other governmental bodies, or their Contractors, or by public utilities or their Contractors, and/or by the County or its Contractors (for work which is not part of the scope of this Agreement).
 - 3.12.4 Off-site maintenance of leased equipment and on-site supervision of such work;
 - 3.12.5 Non-construction support services contracted by the County or any Contractor in connection with covered projects;
 - 3.12.6 All work by employees of the County;
 - 3.12.7 Operations or maintenance work executed by the County;

- 3.12.8. All work on covered projects under any contract entered into prior to the date of this Agreement;
 - 3.12.9. All warranty functions, warranty work, corrective work, repair and maintenance work on purchased equipment performed by manufacturers' representatives or vendors after Completion and acceptance of any covered projects by the County; and
 - 3.12.10 All Post Disaster and Emergency Work as defined in Article 1.
- 3.13 The Council shall assist the County and its contractors in encouraging and soliciting subcontractors in bidding on all covered projects.

ARTICLE 4

RELATIONSHIP BETWEEN PARTIES

- 4.1 This Agreement shall only be binding on the Signatory parties hereto, and shall not apply to parents, affiliates, subsidiaries, or other divisions of the Coordinator and Signatory Contractors unless signed by such parent, affiliate, subsidiary, or other division of such company.
- 4.2 Each Contractor shall alone be liable and responsible for its own individual acts and conduct and for any breach or alleged breach of this Agreement. Any alleged breach of this Agreement by a Contractor or any dispute between the Signatory Union and the Contractor respecting compliance with the terms of this Agreement, shall not affect the rights, liabilities, obligations and duties between the signatory Union and each other Contractor party to this Agreement.
- 4.3 It is mutually agreed by the parties that any liability by a Signatory Union(s) to this Agreement shall be several and not joint. Any alleged breach of this Agreement by a signatory Union shall not affect the rights, liabilities, obligations and duties between the Signatory Contractors and the other Unions party to this Agreement.

ARTICLE 5

ROLES AND RESPONSIBILITIES

SUBCONTRACTS

- 5.1 Each Contractor, which includes all subcontractors of any tier, including trucking entities performing Covered Work on the Projects, agree that neither it nor any of its subcontractors will subcontract any work to be done on the Project except to a person, firm, or corporation who is or becomes party to this Agreement by signing the Agreement

to be Bound attached to this Agreement as Exhibit "A". All Contractors performing Covered Work on the Project shall, as a condition to performing work on the Project, become Signatory to and perform all work under the terms of this Agreement.

- 5.2 A Contractor includes any person, firm or corporation who agrees under contract with another Contractor of any tier, to perform on the Project any part or portion of the construction work covered by the prime contract, including the operating of construction equipment, performance of labor and/or installation of materials.
- 5.3 Notwithstanding any other provisions of this Agreement, the Contractor, as appropriate, in conformance with paragraph 3.7 of this Agreement shall have the absolute right to award contracts or subcontracts for this Project notwithstanding the existence or nonexistence of any collective bargaining agreements between the prospective Contractor and any Union party, and provided that such Contractor is willing, ready and able to comply with this Project Stabilization/Community Benefits Agreement and shall execute a Letter of Assent (in the form attached as Exhibit A), should such Contractor be awarded work covered by this Agreement.
- 5.4 The furnishing of supplies, equipment or materials which are stockpiled for later use shall in no case be considered subcontracting and shall be covered to the extent permitted by law. The delivery of ready-mix, asphalt, aggregate, sand or other fill material which are directly incorporated into the construction process as well as the off-hauling of debris and excess fill material and/or mud, shall be covered by the terms and conditions of this Agreement.
- 5.5 Each Contractor with a contract directly with the County has the primary obligation for performance of all conditions of this Agreement, including the performance of all of that Contractor's subcontractors. This obligation cannot be relieved, evaded or diminished by subcontracting. Should a Contractor elect to subcontract, that Contractor shall continue to have such primary obligation.
- 5.6 Each Contractor, which includes all subcontractors of any tier performing work on the Project, shall give written notice to the Union(s) of any subcontract involving the performance of work covered by this Agreement within either five (5) business days of entering such subcontract or before the subcontractor commences work on the Project, whichever occurs first. Such notice shall specify the name and address of the subcontractor, the California State License Board license number of the Contractors and the scope of work to be performed. Written notice at a Pre-Job Conference shall be deemed written notice under this provision only for those subcontractors listed at the Pre-Job Conference.
- 5.7 Signatory Contractors:
 - 5.7.1 With regard to any Contractor that is independently signed to any Master Labor Agreement, this Agreement shall in no way supersede or prevent the enforcement of any subcontracting clause contained in such MLA, except as specifically set

forth in Section 5.7.2 below. Any such subcontracting clause in a MLA shall remain and be fully enforceable between each craft union and its signatory Contractors, and no provision of this Agreement shall be interpreted and/or applied in any manner that would give this Agreement precedence over subcontracting obligations and restrictions that exist between craft unions and their respective signatory Contractors under a MLA, except as specifically set forth in subsection 5.7.2 below.

- 5.7.2 If a craft union ("aggrieved union") believes that an assignment of work for this Project has been made improperly by a Contractor or subcontractor, even if that assignment was as a result of another craft union's successful enforcement of the subcontracting clause in its MLA, as permitted by subsection 5.7.1 above, the aggrieved union may submit a claim under the jurisdictional resolution procedure contained in Article 6 of this Agreement, and the decision rendered as part of that process shall be enforceable to require the Contractor or subcontractor that made the work assignment to assign that work prospectively to the aggrieved union. An award made to a craft union under the subcontracting clause of its MLA, as permitted pursuant to subsection 5.7.1 above, shall be valid and fully enforceable by that craft union unless it conflicts with a jurisdictional award made pursuant to this Agreement. If the award made under the MLA conflicts with the jurisdictional award, the award of damages under the former shall be null and void *ab initio*.

ARTICLE 6

WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES

- 6.1 The following language is specifically agreed to for the resolution of any Jurisdictional Disputes which may arise during the construction which is specifically covered by this Agreement. This agreement regarding resolution of jurisdictional disputes shall apply only to such disputes arising on Covered Projects.
- 6.2 There will be no strikes, no work stoppages, no picketing, sympathy strikes, slow downs or other interferences with the work because of jurisdictional disputes between signatory Unions. Individuals violating this section shall be subject to immediate discharge.
- 6.3 The assignment of Covered Work will be solely the responsibility of the Contractor performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.
- 6.4 All jurisdictional disputes on this Project between or among the Building and Construction Trades Unions and the Contractors, parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department, or any other plan or method of procedure that may be

adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Contractor and Union parties to this Agreement.

6.4.1 For the convenience of the parties, and in recognition of the expense of travel between Northern California and Washington, D.C., at the request of any party to a jurisdictional dispute under this Agreement, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch and Thomas Pagan, and the Arbitrator's hearing on the dispute shall be held at the applicable Building and Construction Trades Council. All other procedures shall be as specified in the Plan.

- 6.5 All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Contractor's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.
- 6.6 Each Contractor shall conduct a Pre-Job Conference with the Council prior to commencing Covered Work. The Prime Contractor, the County and the Coordinator will be advised in advance of all such conferences and may participate if they wish. Pre-job conferences for different Contractors may be held together.

ARTICLE 7

PRE-JOB CONFERENCE

- 7.1 A mandatory Pre-Job Conference with each Contractor will be held prior to the commencement of work to establish the scope of work in each Contractor's contract. When a contract has been let to Contractors covered by this Agreement, a Pre-Job Conference and/or Mark-Up Meeting shall be required and shall be held. The parties may mutually agree to waive the requirement to hold a Pre-Job Conference and/or Mark-Up Meeting for any particular contract or contractor. All meetings shall be held at the offices of the Alameda County Building and Construction Trades Council.
- 7.2 The Contractor performing the work shall have the responsibility for making work assignments in accordance with Section 6.3 of this Agreement, and will be required to bring relevant plans, specifications, and blueprints to the meeting, as requested by Union.
- 7.3 The Coordinator will schedule and attend all Pre-Job and Mark-Up Meetings and participate in discussions as they pertain to the terms and conditions of this Agreement.

ARTICLE 8

JOINT ADMINISTRATIVE COMMITTEE MEETINGS

- 8.1 The parties to this Agreement will form a five person Joint Administrative Committee (JAC). The Committee will be comprised of two (2) representatives selected by the Council, two (2) representatives selected by the County, and one (1) community representative, nominated by the Board of Supervisors and agreeable to the Council. The parties shall appoint an alternate. The JAC meetings will be convened by the Coordinator and chaired jointly by a representative of the Council and the County, and a quorum shall be three members, including at least one (1) from the County and one (1) from the Council. The purpose of these meetings is to promote harmonious labor/management relations, ensure adequate communications and advance the proficiency and efficiency of the employees and the Contractors for the Covered Projects. The Committee shall also monitor compliance with Article 17 and Article 18. These meetings will also include discussion of the scheduling, productivity and safety of work performed for the Covered Projects.
- 8.2 The JAC shall appoint a Joint Administrative Subcommittee, comprised of one (1) representative of the County and, one (1) representative of the Council for the purpose of convening to confer in an attempt to resolve any grievance that has been filed consistent with Article 23. This Subcommittee shall meet as required to resolve grievances by consensus vote. If no resolution can be mutually agreed upon, the grievance shall proceed to the grievance procedure outlined in Article 23, Step 4.
- 8.3 The JAC shall appoint a Joint Administrative Subcommittee, comprised of one (1) representative of the County, one (1) representative of the Council and one (1) representative of a community based organization to resolve any grievance filed consistent with Article 17 or Article 18.
- 8.4 The JAC shall have the initial authority to investigate and resolve by consensus vote any allegation of violations of Articles 19 and 20. If the JAC cannot resolve the allegations, then any signatory party may take the matter directly to final and binding arbitration as described in Article 23.
- 8.5 JAC Meetings
- 8.5.1 The JAC will meet monthly at the call of either chair.
- 8.5.2 The Coordinator will establish agenda topics with input from the Committee and send notices of meetings with the agenda in advance of the meetings.
- 8.5.3 The JAC will receive reports and consider work progress and practices, local hire utilization, Disadvantaged Population utilization, pre-apprentice recruitment, training and referral, and apprentice development and utilization.
- 8.5.4 The Coordinator and the Contractors shall report progress on these issues and provide ongoing workforce projections for their work.

8.6 Joint Administrative Subcommittee Meetings

8.6.1 Both Joint Administrative Subcommittees will meet as required to address grievances/disputes.

8.6.2 The Coordinator will establish agenda topics with input from the Subcommittee and send notices of meetings with the agenda in advance of the meetings.

ARTICLE 9

COORDINATOR

9.1 The County will designate a Coordinator, who will be responsible for the administration and application of this Agreement.

9.2 The Coordinator shall endeavor to facilitate harmonious relations between the Contractors and Unions Signatory hereto and will conduct the Joint Administrative Committee meeting at the request of either joint chair referred to in Article 8 above. The Coordinator shall not be responsible for the acts of the Contractors or Unions Signatory hereto, and will not be a party to any arbitration or litigation arising out of this Agreement.

ARTICLE 10

UNION RECOGNITION AND REPRESENTATION

10.1 The Contractors recognize the Union(s) Signatory hereto as the sole and exclusive collective bargaining representatives for all craft employees on the Project.

10.2 All employees who are employed by the Contractors shall, as a condition of employment, on or before the eighth (8th) day of consecutive or cumulative employment for a construction contract subject to this Agreement, be responsible for the payment of the applicable monthly working dues and any associated fees uniformly required for union membership in the Union(s). However, there is nothing in this Agreement that would prevent non-union employees from joining the Union(s).

10.3 Authorized representatives of the Union(s) shall have access to the Project site at all times when work is being, has been or will be performed. Such representatives shall comply with the reasonable visitor safety and security rules established for the Project. Access for Union(s) representatives will not be unduly restricted.

10.4 The treatment and payment of stewards shall be in accordance with the applicable MLA.

ARTICLE 11

NO STRIKES - NO LOCKOUTS

- 11.1 During the life of this Agreement, the Unions and their members, agents, representatives and employees shall not incite, encourage, condone or participate in any strike, walkout, slowdown, sit-down, stay-in, boycott, wobble, sympathy strike, picketing or other work stoppage or hand-billing on the Covered Projects for any cause whatsoever, or any other type of interference of any kind, coercive or otherwise, and it is expressly agreed that any such action is a violation of this Agreement.
- 11.1.1 Withholding of employees for failure of a Contractor to meet its weekly payroll is not a violation of this Article 11; however, the Union shall submit documentation of the failure to pay to the Coordinator and shall give the affected Contractor and the Coordinator written notice seventy-two (72) hours prior to the withholding of employees.
- 11.1.2 Should a Contractor performing work for this Project be delinquent in the payment of Trust Fund contributions required under this Agreement with respect to employees represented by the Union, the Union may request, that the Contractor issue joint checks payable to the Contractor and the appropriate employee benefit Trust Fund until such delinquencies are satisfied. Any Trust Fund claiming that a Contractor is delinquent in its fringe benefit contributions to the funds will provide written notice of the alleged delinquency to the affected Contractor, with copies to the General Contractor, the Coordinator and the County. The notice will indicate the amount of delinquency asserted and the period that the delinquency covers. It is agreed, however, with respect to Contractors delinquent in trust or benefit contribution payments, that nothing in this Agreement shall affect normal contract remedies available under the local collective bargaining agreements. If the Contractor is delinquent in the payment of Trust Fund contributions for covered work performed for this Project, the Contractor agrees that the affected Trust Fund may place the County on notice of such delinquencies and the Contractor further agrees that the County may issue joint checks to the Contractor and the Trust Fund until the delinquency is satisfied.
- 11.2 Expiration of Local and Other Applicable Agreements. It is specifically agreed that there shall be no strike, sympathy strike, picketing, lockout, slowdown, withholding of work, refusal to work, walk-off, sick-out, sit-down, stand-in, wobble, boycott or other work stoppage of any kind as a result of the expiration of any local, regional or other applicable labor agreement having application on the Project and/or failure of the parties to that agreement to reach a new contract. If a Master Labor Agreement between a Contractor and the Union expires before the Contractor completes the performance of a construction contract and the Union or Contractor gives notice of demands for a new or modified Master Labor Agreement, the Union agrees that it will not strike or withhold labor from the Contractor for said contract for work covered under this Agreement and the Union

and the Contractor agree that the expired collective bargaining agreement shall continue in full force and effect for work covered under this Agreement until a new or modified Master Labor Agreement is reached between the Union and Contractor. If the Union and Contractors agree to an interim agreement that will apply until a new Master Labor Agreement is reached, then, the Contractor may work under the terms of the interim agreement until a new or modified Master Labor Agreement is reached between the Union and Contractor. If the new or modified Master Labor Agreement reached between the Union and Contractor provides that any terms of compensation of the Master Agreement shall be retroactive, the Contractor agrees to comply with any retroactive terms of the new or modified Master Labor Agreement to its effective date which is applicable to employees who performed work for the project during the interim period. Such compliance shall occur within seven (7) days after notification by the Union.

- 11.3 In consideration of the foregoing, the Contractor shall not incite, encourage or participate in any lockout or cause to be locked out any employee covered under the provisions of this Agreement. The term "lockout" does not refer to the discharge, termination or layoff of employees by the Contractor for any reasons in the exercise of its rights as set forth in any provision of this Agreement, nor does "lockout" include the County's or Contractor's decision to terminate or suspend work for the site or any portion thereof for any reason.
- 11.4 Any employee or employees inciting, encouraging or participating in any strike, slowdown, picketing, sympathy strike or other activity in violation of this Agreement may be subject to immediate discharge and the procedure under this Article 11, if invoked.
- 11.5 Upon written or electronic mail notice of a violation to the Local and/or International Union offices, the Union and its officers shall take immediate action and will use its (their) best efforts to prevent, end or avert any such aforementioned activity or the threat thereof by any of its officers, members, representatives or employees, either individually or collectively, including but not limited to, publicly disavowing any such action and ordering all such officers, representatives, employees or members who participate in such unauthorized activity to cease and desist from same immediately and to return to work and comply with its orders. The Contractor shall have the right, in the event of a work stoppage by the Union to replace the employees represented by the Union in violation of this Agreement. Nothing in this Agreement shall be construed to limit or restrict the right of any of the parties to this Agreement to pursue fully any and all remedies available under law in the event of a violation of this Article 11.
- 11.6 Any party to this Agreement may institute the following binding arbitration procedure when such a breach is alleged. In the event a party institutes this procedure, arbitration shall be mandatory.
 - 11.6.1 The party invoking this procedure shall immediately notify Robert Hirsch, who the parties agree shall be the permanent Arbitrator under this procedure. Thomas Angelo shall serve as alternate in the event that the permanent Arbitrator is unavailable at any time. Notice to the Arbitrator shall be by the most expeditious

means available, with written notice by email or similar means to the party alleged to be in violation and the involved Union General President.

- 11.6.2 Upon receipt of said notice the Arbitrator named above or the alternate shall designate a place for, schedule and hold a hearing within twenty-four (24) hours.
- 11.6.3 The Arbitrator shall notify the parties by electronic mail or similar means of the place and time chosen for the session. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an award by the Arbitrator.
- 11.6.4 The sole issue at the hearing shall be whether or not a violation of this Article has in fact occurred, and the Arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation or to award damages, which issue is reserved for court or other arbitration proceedings, if any. The award shall be issued in writing within three (3) hours after the close of the hearing and may be issued without a written opinion. If any party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the award. The Arbitrator shall order cessation of the violation of this Article and other appropriate relief, and such award shall be served on all parties by hand or registered mail upon issuance.
- 11.6.5 Liquidated Damages. A party found to have violated the provisions of the No Strike-No Lockout section in this Article 11 shall cease such violation within eight (8) hours of the award of the Arbitrator. Should the violation continue past eight (8) hours, the party in violation shall pay to the affected party as liquidated damages either the actual damages incurred or the sum of ten thousand dollars (\$10,000.00) per shift, or portion thereof, whichever is greater, until such violation is ceased. The Arbitrator shall retain jurisdiction to resolve any disputes regarding the liquidated damages claimed under this section.
- 11.6.6 The award shall be final, binding and non-reviewable as to the merits. A judgment of any court of competent jurisdiction shall be entered upon the award, which may be enforced by any such court, upon the filing of this Agreement and all other relevant documents referred to hereinabove in the following manner. Electronic mail or similar notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the Arbitrator's award as issued under subsection 11.6.4 of this Article, all parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any party's right to participate in a hearing for a final order of enforcement. The Court's order or orders enforcing the Arbitrator's award shall be served on all parties by hand or by delivery to their last known address or by registered mail.

- 11.6.7 Any rights created by statute or law governing arbitration or injunction proceedings inconsistent with the above procedure, or which interfere with compliance therewith, are hereby waived by the parties to whom they accrued.
- 11.6.8 The costs of the arbitration, including the fee and expenses of the Arbitrator, shall be borne equally by the affected Union(s) and the affected Contractors.
- 11.6.9 The procedures contained in this Section 11.6 shall be applicable only to alleged violations of this Article. Discharge or discipline of employees for violation of this Article shall be subject to the grievance and arbitration procedures of Article 23.

ARTICLE 12

MANAGEMENT RIGHTS

- 12.1 The Contractor retains full and exclusive authority for the management of their work forces for all work performed under this Agreement. This authority includes, but is not limited to, the right to:
 - 12.1.1 Plan, direct and control the operation of all the work.
 - 12.1.2 Decide the number and types of employees required to perform the work safely and efficiently. The lawful manning provisions of the applicable Master Collective Bargaining Agreement shall be recognized.
 - 12.1.3 Hire, promote and layoff employees as deemed appropriate to meet work requirements and/or skills required.
 - 12.1.4 Require all employees to observe the County's Project Rules, the Contractor's Project Rules, Security and Safety Regulations, consistent with the provisions of this Agreement. The Contractor's and County's Project Rules and Regulations shall be reviewed and mutually agreed upon at the Pre-Job meeting and supplied to all employees and/or posted on the jobsite.
 - 12.1.5 Discharge, suspend or discipline employees under the applicable MLA.
 - 12.1.6 Assign and schedule work at its sole discretion and determine when overtime will be worked consistent with this Agreement and the applicable MLA.
 - 12.1.7 Utilize any work methods, procedures or techniques and select and use any type or kind of materials, apparatus or equipment regardless of source, manufacturer or designator and in accordance with this Agreement, which covers the fabrication provisions and any other conflicts that are addressed in this Agreement.

- 12.2 The foregoing listing of management rights shall not be deemed to exclude other functions not specifically set forth herein. The Contractors, therefore, retain all legal rights not specifically enumerated in this Agreement.

ARTICLE 13

WORK RULES

- 13.1 Work Rules shall be governed by the applicable MLA for each craft.

ARTICLE 14

WAGE SCALES and FRINGE BENEFITS

- 14.1 All employees covered by this Agreement shall be classified and paid in accordance with the classification and wage scales contained in the appropriate MLAs which have been negotiated by the historically recognized bargaining parties and in compliance with the applicable general prevailing wage determination made by the Director of Industrial Relations pursuant to the California Labor Code.
- 14.2 For the duration of its work on this Project, the Contractors agree to recognize and put into effect such increases in wages and recognized fringe benefits as shall be negotiated between the various Union(s) and the historically recognized local bargaining parties on the effective date as set forth in the applicable MLA. The Union(s) shall notify the Contractors in writing of the specific increases in wages and recognized fringe benefits and the date on which they become effective.
- 14.3 The Contractors hereby adopt and agree to be bound by the written terms of the legally established Trust Agreements specifying the detailed basis on which payments are to be made into, and benefits paid out of, such appropriately qualified employee fringe benefit funds established by such appropriate Trust Agreements. The Contractors authorize the parties to such Trust Agreements to appoint Trustees and successor Trustees to administer the trust funds, and hereby ratify and accept the Trustees so appointed as if made by the Contractors.
- 14.4 If a Contractor fails to pay wages or benefits, the County agrees to honor a properly submitted, legally enforceable Stop Payment Notice.

ARTICLE 15

HOURS OF WORK, OVERTIME, SHIFTS and HOLIDAYS

- 15.1 The hours of work, establishment of overtime and the establishment of shifts and shift pay shall be governed by the applicable MLA for each craft and in accordance with the current General Prevailing Wage Determination made by the Director of Industrial Relations pursuant to the California Labor Code. It is understood that the County may, at its discretion, establish a uniform starting time and/or ending time.
- 15.2 Holidays and designated days off will be in compliance with the applicable General Prevailing Wage Determination made by the Director of Industrial Relations pursuant to the California Labor Code, unless otherwise set forth in the MLA.

ARTICLE 16

HEALTH AND SAFETY

- 16.1 The employees covered by the terms of this Agreement shall at all times, while in the employ of the Contractor, be bound by the safety rules and regulations as established by the County and Contractors and in accordance with OSHA/Cal-OSHA. These rules and regulations will be published and posted at conspicuous places throughout the Project site.
- 16.2 In accordance with the requirements of OSHA/Cal-OSHA, it shall be the exclusive responsibility of each Contractors working on the Project to assure safe working conditions for its employees and compliance by them with any safety rules contained herein or established by the Contractors or the County. Nothing in this Agreement shall in any way be construed to make the Union(s), the County, liable for safety violations on the Project.
- 16.3 The parties agree to abide by the substance abuse policies contained in the applicable MLA, subject to the Article 12. Should the County decide that there is a need for an OCIP on a Covered Project, the parties mutually agree to the side letter attached.

ARTICLE 17

LOCAL HIRING PROGRAM

- 17.1 The Parties agree to achieve the inclusion of Residents in the employment and apprenticeship opportunities created by the Covered Work, which will be known as the Local Hiring Program (LHP). With day-to-day support from the Coordinator, the Joint

Administrative Committee (JAC) formed pursuant to the provisions of Article 8 shall monitor the progress of the LHP and will serve as the central forum for representatives of all interested or affected parties to exchange information and ideas and to advise the County staff and the Coordinator concerning the operation and results of the LHP and the ongoing role of this Project Stabilization/Community Benefits Agreement as an integral component of LHP. As part of these responsibilities, the JAC will assess the obstacles to success of achieving inclusion of local Residents in the construction opportunities and shall make recommendations for a program to overcome some of those obstacles.

- 17.2 The parties agree to a goal that Residents of the County will perform up to 40 percent (40%) of all hours worked on all covered projects, on a craft-by-craft basis, if such workers are available, capable and willing to work on the projects, together with the apprentice goals established in Article 18, below.
- 17.3 The Contractors shall make good faith efforts to reach these goals, as described in Article 17.4 below and to reach these goals working through the normal hiring hall procedures listed in the MLA and the procedures identified in Article 18.4 and the County and Unions shall make good faith efforts to assist the Contractor in reaching this goal. In cases of alleged noncompliance, the issue may be referred to the Coordinator and then to the JAC for resolution. If the JAC can make no resolution, the issue may then be referred to Step 4 of Section 23.2.2 of the grievance procedure described in Article 14 for submission to an arbitrator for a final and binding determination. For purposes of resolution of any dispute arising under this Section or Article 18.4, the County shall be considered a party-in-interest with full right of participation in the arbitration proceeding.
- 17.4 The Contractors must take, and require their subcontractors to take, the following good faith steps to demonstrate that they have made every effort to reach the Local Hiring Goals:
 - 17.4.1. The Contractors shall attend the scheduled pre-job meetings identified in Article 7. At this meeting, the Contractor must submit written workforce projections and projected man-hours on a craft-by-craft basis, consistent with the Contractor's bid proposal. In the event the pre-job meeting is waived, the Contractor must submit written workforce projections to the Coordinator within five (5) days.
 - 17.4.2 Within one week of the issuance of the Notice to Proceed, the Contractors shall meet with the Coordinator to review and approve its compliance plan for reaching the Local Hiring Goals, using the required compliance plan form provided by the County.
 - 17.4.3 The Contractors shall submit copies of hiring hall dispatch requests and responses to the Coordinator within ten (10) days of Coordinator's request at any point during the execution of the Project.
 - 17.4.4 The Contractors shall immediately contact the Coordinator if a union hiring hall dispatcher will not or cannot, upon request of the Contractor, dispatch local

Residents.

- 17.4.5 The Contractors shall use the "Name Call," "Rehire" or other available hiring hall procedures to reach goals and shall provide documentation of such requests to the Coordinator upon request per subsection 17.4.3.
- 17.4.6 The Contractors shall use community based organizations as a resource for local labor resources, if a union will not or cannot provide local Residents as requested, and in conformity with the collectively bargained union hiring hall agreement.
- 17.4.7 The Contractors shall sponsor local Residents as defined herein for apprenticeship, when possible.
- 17.4.8 The Contractors shall maintain records for each Resident of Alameda County who was referred but not hired along with an explanation why the worker was not hired. Upon request, such records shall be made available for review by the County, Coordinator, and JAC for the duration of the Covered Projects.
- 17.4.9 The Contractors shall document participation in any local employment training programs and submit documentation of such to the Coordinator within ten (10) days if requested by Coordinator.
- 17.5 The Unions will exert their utmost efforts to recruit sufficient numbers of skilled craft persons who are Residents to fulfill the requirements of the Contractors. The parties to this Agreement support the development and placement of increased numbers of skilled construction workers from the Residents within the County to meet the needs of the covered project and the requirements of the industry generally.
- 17.6 To the extent possible, the parties agree to implement the Local Hiring Program while complying with the County's Local Vendor Preference and Enhanced Construction Outreach (ECOP) programs for the covered project. To the extent that the County determines, in its sole discretion, that there is a conflict between the Local Hiring Program established in this Agreement and the County's SLEB, ECOP, and/or Local Vendor Preference Programs, the conflict shall be resolved in favor of the Local Hiring Program on the construction work covered by this Agreement.
- 17.7 For the purposes of reaching the goal established in Article 17.2, a Contractor may qualify for full credit toward the goal by employing Alameda County Residents for other work the Contractor is performing in any of the nine Bay Area counties of: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Marin, Solano, Napa and Sonoma. Credit will only be given for work performed during the life of the Covered Project. In order to receive such credit, the Contractor must submit certified payrolls as documentation to the Coordinator. No credit for off-site work will be allowed until the Contractor has demonstrated a good faith effort to reach the goal on the Covered Projects and has received approval from the JAC.

ARTICLE 18

APPRENTICES

- 18.1 Recognizing the need to maintain continuing support of programs designed to develop adequate numbers of competent apprentice workers in the construction industry, the Contractors will make a good faith effort to employ apprentices in the respective crafts to perform such work as is within their capabilities and which is customarily performed by the craft in which they are indentured.
- 18.2 For the purpose of meeting the goals of this Article 18, the parties recognize State-approved apprenticeship training programs administered by Joint Labor/Management Apprenticeship Training Committees (JATC) as the sole source for an eighteen month trial period. If after the eighteen month trial period, it has been demonstrated that the JATCs are unable to provide sufficient Residents to meet the established goals, the parties to this agreement will meet to negotiate implementation strategies to meet the established goals. If resolution is not reached within six months, then the parties may refer the item to the grievance procedure as outlined in Article 23.
- 18.3 The Signatory parties agree that the County shall make available to the Unions a database of apprentices qualifying under the local hiring provisions of this Agreement. The Signatory Unions agree to report in accordance within any limits set by applicable labor law, the availability and dispatch/placement of qualifying apprentices. The reports will be submitted to the Coordinator on at least a quarterly basis and more often, if requested and possible.
- 18.4 For each Covered Project, the Contractors will be responsible to ensure that it and/or its subcontractors hire at least one (1) new apprentice for the first \$1 million of construction value and for each succeeding \$5 million of construction contract value, the Contractors and/or their subcontractors will be required to hire at least one (1) additional new apprentice. All such apprentices may be graduates of pre apprenticeship programs with a known and successful track record of apprentice placement into jobs. All the pre apprenticeship program graduates must be Residents of Alameda County and members of a Disadvantaged Population, as described in Article 1.
- 18.4.1 Contractors will make a good faith effort to maximize the project work hours for the new hire apprentices, and shall report those hours to the JAC, which will evaluate those good faith efforts.
- 18.4.2 Each Signatory Union will be responsible for dispatching/referring such County Residents to the contractor if they are available, capable and willing to work on the Covered Projects. No one trade can be used to satisfy the goal by the provision of more than two (2) such first stage apprentices, unless required by the nature of the work and or agreed upon by the JAC.

- 18.4.3 The Signatory Unions and Contractors shall exercise, to the extent of their authority, their best efforts to recruit apprenticeship program applicants from Residents and who are members of a Disadvantaged Population, as defined in Article 1. Further, for apprentices hired to comply with Article 18.4, there will be no limitation on where such apprentices will work subsequent to being hired for the Covered Projects. Contractors will be allowed to receive credit for Article 18.4 when utilizing apprentices for non-Project work during the life of the Covered projects, regardless of the location of the work as long as it is in the nine (9) Bay Area counties described in Article 18.4.5.
- 18.4.4 The Contractor shall request dispatch of apprentices in writing from the local Unions and/or Joint Apprenticeship Training Committee in which the Contractor participates. Copies of the written requests shall be provided to the Coordinator within ten (10) days of request by the Coordinator. The Unions shall honor all Contractor dispatch requests for such Apprentices.
- 18.4.5 For the purposes of meeting the goal established in Section 18.4, a Contractor may qualify for full credit toward the goal by employing Alameda County Residents as apprentices for other work the Contractor is performing in any of the nine Bay Area counties of: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Marin, Solano, Napa and Sonoma. Credit will only be given for work performed during the life of the Covered projects. In order to receive such credit, the Contractor must submit certified payrolls as documentation to the Coordinator. No credit for non-Covered Projects work will be allowed until the Contractor has demonstrated a good faith effort to reach the goal on the Covered projects and has received approval from the JAC.
- 18.5 The Unions will cooperate with the County, the Contractors, and the Coordinator in conducting outreach activities to recruit and refer qualified Alameda County Resident applicants to apprenticeship programs. In addition, the Unions will work with designated pre-apprenticeship programs to promote graduates and enhance their entry into the Apprenticeship programs.
- 18.6 To the extent permitted by law and the JATC requirements, the Unions will give credit to bona fide, provable past experience to applicants, including work for non-union Contractors who become signatory to the PS/CBA. The experience and practical knowledge of applicants will be reviewed and tested by the applicable Joint Apprenticeship Training Committee. Applicants will be placed at the appropriate stage of apprenticeship or journey level as the case may be. Final decisions will be the responsibility of the applicable Joint Apprenticeship Training Committee.

ARTICLE 19

REFERRAL PROCESS

- 19.1 The Union(s) shall be the primary source of all craft labor employed on the Project. However, in the event that a Contractor has its own core workforce, the Contractors may request by name, and the Union(s) shall honor, referral of persons who have applied to the local union for Project work and who demonstrate the following qualifications ("Core Employees"):
- 19.1.1 possess any license and/or certifications required by state or federal law for the Project work to be performed;
 - 19.1.2 have worked a total of at least one thousand (1,000) hours in the construction craft during the prior three (3) years;
 - 19.1.3 were on the Contractors' active payroll for at least sixty (60) out of the one hundred forty (140) calendar days prior to the contract award; and
 - 19.1.4 have the ability to perform safely the basic functions of the applicable trade.
 - 19.1.5 be a resident of Alameda County at least six months prior to the hire date.
- 19.2 In the case of a Sole Proprietor/Owner Operator that is self-performing work, this Sole Proprietor/Owner Operator is not required to request a dispatch from the union hall. Sole Proprietors/Operators must be certified as such by some public agency acceptable to the County and the affected signatory unions. If the Sole Proprietor/Owner Operator hires employees subsequent to starting work on Covered Projects, all such employees would need to be requested from the union hall as described in subsection 19.3 below
- 19.3 The Union(s) will first refer to such Contractors one journeyman employee from the hiring hall out-of-work list for the affected trade or craft, and will thereafter refer one of such Contractors' "core" employees as a journeyman and shall repeat the process, one and one, until such Contractors' crew requirements are met or until such Contractors have hired no more than five (5) Core Employees, whichever occurs first. Thereafter, all additional employees shall be hired exclusively from the Union(s)' hiring hall out-of-work list(s). For the duration of the Contractors' work the ratio shall be maintained and when the Contractors' workforce is reduced, Employees shall be laid off in the same ratio of core employees to hiring hall referrals as was applied in the initial hiring. Contractors signatory to a Local, Regional, and/or National collective bargaining agreement(s) with Signatory Union(s) hereto shall be bound to use the hiring hall provisions contained in the relevant MLA of the affected Union(s), and nothing in the referral provisions of this Agreement shall be construed to supersede the local hiring hall provisions of the MLAs as they relate to such Contractors.

- 19.4 For purposes relating to "Owner/Operators" used for the hauling of workers and materials, including water or oil. It is agreed that the Owner/Operator doing such hauling work may be dispatched to the job first (as a core employee) provided that such Owner/Operator has complied with and completed all registration requirements with the Union prior to dispatch.
- 19.5 All Contractors shall be bound by and utilize the registration facilities and referral systems established or authorized by the Signatory Union(s) so long as such procedures are in compliance with applicable federal, state or local law. The Contractor shall have the right to determine the competency of all employees and may reject any referral for any reason, provided that the Contractor complies with Article 22, Non-Discrimination, and in accordance with the applicable MLA.
- 19.6 In accordance with the Master Labor Agreement and in the event that referral facilities maintained by the Union(s) are unable, despite good faith efforts, to fill the request of a Contractor for employees within a forty-eight (48) hour period after such request is made by the Contractor, Saturdays, Sundays and Holidays excluded, the Contractor shall be free to obtain work persons from any source ("Alternative Employees"). Upon hiring Alternative Employees, the Contractor shall immediately notify the appropriate Union(s) of the name and address of the Alternative Employees hired, which Alternative Employees shall be bound by the provisions of this Article and the Union(s)' hiring hall rules.
- 19.7 The Union(s) will exert their utmost efforts to recruit sufficient numbers of skilled craft persons to fulfill the requirements of the Contractors. The parties to this Agreement support the development of increased numbers of skilled construction workers from the Residents of Alameda County to meet the needs of the Project and the requirements of the industry generally. Accordingly, contingent upon request by the Contractor, the Unions agree to encourage the referral and utilization of Residents as journeyman and apprentices on the Project and the entrance of Residents into apprenticeships and training programs, as long such Residents possess the requisite skills and qualifications.

ARTICLE 20

DATA COLLECTION AND REPORTING

- 20.1 This article describes data collection, reporting guidelines and responsibilities for parties signatory to the PSCBA.
- 20.2 The County shall be responsible for collecting and maintaining accurate data on the availability of the Disadvantaged Population Residents available, capable and willing to work on Projects. This data will be made available and accessible to the Union.
- 20.3 On a monthly basis, Contractors must submit reports on the status and progress of local hiring on a craft by craft basis, including utilization of apprentices.

- 20.4 The signatory Unions agree to report in accordance with any limits set by applicable labor law, the availability and dispatch/placement of apprentices. These reports will be submitted to the Coordinator on at least a quarterly basis and more often, if requested and possible.
- 20.4.1 In advance of pre-job meetings, the Union shall assist the Coordinator with developing a current list of Disadvantaged Population first stage apprentices available to work on the project.
- 20.4.2 At pre-job meetings, the Coordinator shall supply contractors with a current list of Disadvantaged Population apprentices and their status of completion of their apprenticeship.
- 20.4.3 On a quarterly basis, the Union shall provide the County and Coordinator a report on the status of Disadvantaged Population apprentices, including but not limited to their placement and advancement
- 20.5 On an annual basis, the Union, County and Coordinator shall provide a report for the Board of Supervisor's review as described and required in Article 27.1. This report shall include but not be limited to the local hiring and apprentice goal performance, as well as challenges and benefits of the PSCBA.

ARTICLE 21

HELMETS TO HARDHATS: VETERAN EMPLOYMENT

- 21.1 The Contractors and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The Contractors and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center) and Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the Contractors and the Unions.
- 21.2 The Unions and Contractors agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on the Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans for bona fide, provable past experience.
- 21.3 The Contractors may also utilize the services of the "Swords to Ploughshares" program.

ARTICLE 22

NON-DISCRIMINATION

- 22.1 The Unions and Contractors shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, actual or perceived sexual orientation, national origin, age, religion, political affiliation, or membership or non-membership in labor organization union activity, military veteran status, and disability as identified in the Americans With Disabilities Act, or any other basis recognized by law.

ARTICLE 23

GRIEVANCE PROCEDURE

- 23.1 All disputes concerning the interpretation and/or application of this Agreement that do not fall within the Article 11 No-Strike/No-Lockout procedure, Article 6 Work Assignments and Jurisdictional Disputes, Article 17 Local Hiring Program, or Article 18 Apprentices, shall be governed by the following grievance and arbitration procedure.
- 23.2 Grievances between one or more Union(s) and one or more Contractor regarding interpretation and/or application of this Agreement shall be pursued according to the following provisions:
- 23.2.1 A grievance shall be considered null and void if not brought to the attention of the Contractors or the Union(s) within ten (10) working days after the grievance is alleged to have occurred but in no event more than thirty (30) days after the charging party became aware of the event giving rise to the dispute.
- 23.2.2 Grievances between one or more Union(s) and one or more Contractors regarding provisions of this Agreement shall be settled or otherwise resolved according to the following Steps and provisions:
- Step 1: The Contractors or the Union(s)' representative and the grievant shall attempt to resolve the grievance with the craft supervisor or Steward.
- Step 2: In the event the matter remains unresolved in Step 1 above, within five (5) working days, the grievance shall be reduced to writing and may then be referred by the Contractors or Union(s) to the grievant for discussion and resolution.
- Step 3: In the event that the representatives are unable to resolve the dispute within the five (5) working days after its referral to Step 2, either involved party may submit it within five (5) working days to the Joint Administrative Subcommittee, established in Section 10.2, which shall meet within five (5)

working days after such referral (or such longer time as is mutually agreed upon by the representatives on the Joint Administrative Subcommittee) to confer in an attempt to resolve the grievance. Regardless of which party has initiated the grievance proceeding, prior to the meeting of the Joint Administrative Subcommittee, the Union shall notify its international union representative(s), which shall advise both parties if it intends on participating in the meeting. The participation by the International Union Representative in this Step 3 meeting shall not delay the time set herein for the meeting, unless otherwise mutually agreed by the parties. Decisions by the Joint Administrative Subcommittee shall be by majority vote with such resolutions to be final and binding on all signatories of the Agreement. If the dispute is not resolved by the Joint Administrative Subcommittee, it may be referred within five (5) working days by either party to Step 4.

Step 4: In the event the matter remains unresolved in Step 3, either Party may request, within five (5) working days, that the dispute be submitted to arbitration. The time limits set out in this procedure may, upon mutual agreement, be extended. Any request for arbitration, request for extension of time limits, and agreement to extend such time limits shall be in writing.

Step 5: Within seven (7) calendar days after referral of dispute in Step 4, the parties shall choose an arbitrator for final and binding arbitration. The parties agree that an arbitrator shall be selected by the alternate striking method from the following list. The party who shall strike the first name shall be selected by the toss of a coin (1) Carol Ison (2) Barbara Kong-Brown (3) Thomas Angelo (4) Robert Hirsch (5) William Ricker. Should a Party to the procedure fail or refuse to participate in the hearing, if the Arbitrator determines that proper notice of the hearing has been given, said hearing shall proceed to a default award. The Arbitrator's award shall be final and binding on all Parties to the arbitration. The costs of the arbitration, including the arbitrator's fee and expenses, shall be borne equally by the Parties. The Arbitrator's decision shall be confined to the question(s) posed by the grievance and the Arbitrator shall not have authority to modify amend, alter, add to, or subtract from, any provisions of this Agreement.

23.3 Grievances raised by County against one or more Union(s) and/or the Building Trades Council, or against the County by one or more Union(s) and/or the Building Trades Council, regarding provisions of this Agreement, shall be settled or otherwise resolved according to the following Steps and provisions:

23.3.1. A grievance shall be considered null and void if not brought to the attention of the County or the Union(s) within ten (10) working days after the grievance is alleged to have occurred but in no event more than ten (10) days after the charging party became aware of the event giving rise to the dispute.

- Step 1: The County/Union(s) Joint Administrative Subcommittee shall attempt to resolve the grievance. The County/Union(s) Joint Administrative Subcommittee shall meet within five (5) working days after receipt of the grievance (or such longer time as is mutually agreed upon by the representatives on this Joint Administrative Subcommittee) to confer with regard to the grievance. Decisions by the Joint Administrative Subcommittee shall be by majority vote with such resolutions to be final and binding on all signatories of the Agreement. If the dispute is not resolved by the Joint Administrative Subcommittee, within the five (5) working days after meeting on the grievance, either involved party may proceed to Step 2.
- Step 2: In the event the matter remains unresolved pursuant to Step 2, either Party may request that the dispute be submitted to arbitration. The time limits set out in this procedure may, upon mutual agreement, be extended. Any request for arbitration, request for extension of time limits, and agreement to extend such time limits shall be in writing.
- Step 3: Within seven (7) calendar days after referral of dispute in Step 2, the parties shall choose an arbitrator for final and binding arbitration. The parties agree that an arbitrator shall be selected by the alternate striking method from the following list. The party who shall strike the first name shall be selected by the toss of a coin (1) Carol Isen (2) Barbara Kong-Brown (3) Thomas Angelo (4) Robert Hirsch (5) William Ricker. Should a Party to the procedure fail or refuse to participate in the hearing, if the Arbitrator determines that proper notice of the hearing has been given, said hearing shall proceed to a default award. The Arbitrator's award shall be final and binding on all Parties to the arbitration. The costs of the arbitration, including the arbitrator's fee and expenses, shall be borne equally by the Parties. The Arbitrator's decision shall be confined to the question(s) posed by the grievance and the Arbitrator shall not have authority to modify amend, alter, add to, or subtract from, any provisions of this Agreement.
- 23.4 Where an issue is addressed in this Agreement and an MLA, this Agreement shall prevail. Where an issue is addressed in an MLA and not in this Agreement, the MLA shall control.
- 23.5 Grievances between a Union(s) and a Union(s)' signatory contractor involving interpretation or application of the Master Agreement shall be governed by the grievance procedures contained in the Master Agreement.

ARTICLE 24

MISCELLANEOUS PROVISIONS

- 24.1 Counterparts. This Agreement may be executed in counterparts, such that original signatures may appear on separate pages, and when bound together all necessary signatures shall constitute an original. Facsimile signature pages transmitted to other parties to this Agreement shall be deemed equivalent to original signatures.
- 24.2 Warranty of Authority. Each of the persons signing this Agreement represents and warrants that such person has been duly authorized to sign this Agreement on behalf of the party indicated, and each of the parties by signing this Agreement warrants and represents that such party is legally authorized and entitled to enter into this Agreement.
- 24.3 Ratification by Governing Board. This Agreement shall not be binding on the County until it is ratified by the Board of Supervisors.

ARTICLE 25

ENTIRE AGREEMENT

- 25.1 This Agreement represents the complete understanding of the parties. The provisions of this Agreement, including the MLAs, shall in every instance exclusively apply to and control work performed on the Project. The provisions of this Agreement shall take precedence over provisions of local, area, regional or national labor agreements. Nothing contained in the MLAs, working rules, by-laws, constitution and other similar documents of the Unions, shall in any way affect, modify or add to this Agreement unless otherwise specifically indicated in this Agreement or mutually agreed to in writing and executed by the parties. Practices not part of the terms and conditions of this Agreement shall not be recognized.
- 25.2 The Unions agree that this Agreement covers all matters affecting wages, hours and other terms and conditions of employment, and that during the terms of this Agreement, neither the Contractors, nor the Unions will be required to negotiate on any further matters affecting these or any other subject not specifically set forth in this Agreement except by mutual agreement of the Unions involved and the County.
- 25.3 The parties to this Agreement understand and agree that nothing in this Agreement shall supersede or take precedence over any Board policy or requirement including, but not limited to, the construction contract, contract documents, project manual, and general conditions for the Project.
- 25.4 Provisions negotiated into any new or modified MLA which are less favorable to the Contractor shall not apply to work covered by this Agreement. Any disagreement between the parties regarding the application of the provisions of any new or modified

MLA shall be resolved under the dispute and grievance arbitration procedures set forth in Article 23.

- 25.5 This Agreement may be executed in counterparts, such that the original signatures may appear on separate pages and when bound together all necessary signatures shall constitute an original. Facsimile signature pages transmitted to other parties to this Agreement shall be deemed the equivalent to original signatures.

ARTICLE 26

GENERAL SAVINGS CLAUSE

- 26.1 It is not the intention of the parties to violate any laws governing the subject matter of this Agreement. If any Article or provision of this Agreement shall be declared invalid, inoperative, or unenforceable by any competent authority of the executive, legislative, judicial or administrative branch of the federal, state or local government, the parties shall suspend the operation of each such article or provision during the period of invalidity. Such suspension shall not affect the operation of any provision covered in this Agreement to which the law or regulation is not applicable. Further, parties agree that if and when any or all provisions of this Agreement are finally held or determined to be illegal or void by a Court of competent jurisdiction, the parties will promptly enter into negotiations concerning the substance affected by such decision for the purpose of achieving conformity with the requirements of an applicable law and the intent of the parties hereto.

ARTICLE 27

DURATION OF AGREEMENT

- 27.1 This Agreement shall become effective on the day the County Board of Supervisors ratifies this Agreement and shall continue in full force and effect for 3 years. In the event that either party wishes to amend, modify or otherwise alter this Agreement at the end of three (3) years, written notice shall be delivered between sixty (60) and thirty (30) days prior to expiration. If neither party provides said written notice, this Agreement shall remain in effect for an additional two (2) years. At the end of a total of five (5) years, if parties so desire they may enter negotiations for a new Agreement or an extension to be determined. There shall be an annual report with a presentation to the County Board of Supervisors prepared by the General Services Agency in collaboration with other applicable County Departments.

SIGNATURES

County of Alameda

By: _____
President, Board of Supervisors

Approved as to Form:
Dennis R. Ziegler, County Counsel

By: Quarey Baman
Deputy County Counsel

Building & Construction Trades Council of Alameda County:

By: Andreas Chiver
Andreas Chiver, Secretary-Treasurer

Signatory Unions:

Asbestos Workers, Local 16 By: Paul Brown

Boilermakers, Local 549 By: Michael De

Bricklayers & Allied Craftsmen, Local 3 By: Steve Loh

Northern California Carpenters
Regional Council (on behalf of Carpenters,
Local 713, Carpenters, Local 2236, Lathers,
Local 68L, Millwrights, Local 102,
Pile Drivers, Local 34) By: [Signature]

Cement Masons, Local 300

By: [Signature]

Electrical Workers, Local 595

By: [Signature]

Elevator Constructors, Local 8

By: _____

Hod Carriers, Local 166

By: [Signature]

Iron Workers, Local 378

By: [Signature]

Laborers, Local 67

By: [Signature]

Laborers, Local 304

By: [Signature]

Operating Engineers, Local 3

By: _____

Plasterers, Local 66

By: [Signature]

Roofers, Local 81

By: [Signature]

Sheet Metal Workers, Local 104

By: [Signature]

Sign Display, Local 510

By: _____

Sprinkler Fitters, Local 483

By: [Signature]

Teamsters, Local 853

By: [Signature]

United Association of Journeymen and
Apprentices Fitting Industry, Underground
Utility & Landscape, Local 355

By: [Signature]

Cement Masons, Local 900

By: _____

Electrical Workers, Local 595

By: John Coleman

Elevator Constructors, Local 8

By: _____

Hod Carriers, Local 166

By: Ed Polson

Iron Workers, Local 378

By: Jeff [unclear]

Laborers, Local 67

By: [unclear]

Laborers, Local 304

By: Terrence [unclear]

Operating Engineers, Local 3

By: _____

Plasterers, Local 66

By: _____

Roofers, Local 81

By: Donald Ziegen

Sheet Metal Workers, Local 104

By: Tom [unclear]

Sign Display, Local 510

By: Joseph B. Toback

Sprinkler Fitters, Local 483

By: _____

Teamsters, Local 853

By: _____

United Association of Journeymen and
Apprentices Fitting Industry, Underground
Utility & Landscape, Local 325

By: Michael [unclear]

United Association of Steamfitters,
Pipefitters, Plumbers, & Gas
Fitters, Local 342

By: Marcel Hernandez

District Council No. 16 Northern
California International Union of
Painters & Allied Trades (on behalf of
Auto & Marine Painters, Local 1176,
Carpet & Linoleum Layers, Local 12,
Glaziers, Architectural Metal
& Glassworkers, Local 169,
Painters & Tapers, Local 3

By: _____

EXHIBIT A (Letter of Assent)

PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT

for the

**COUNTY OF ALAMEDA
CONTRACTOR AGREEMENT TO BE BOUND**

The undersigned, as a Contractor or Subcontractor (CONTRACTOR) on the County of Alameda, (hereinafter PROJECTS), for and in consideration of the award to it of a contract to perform work on said PROJECTS, and in further consideration of the mutual promises made in the "Project Stabilization/Community Benefits Agreement for the County of Alameda Project" (hereinafter AGREEMENT), a copy of which was received and is acknowledged, hereby:

- (1) Accepts and agrees to be bound by the terms and conditions of the AGREEMENT, together with any and all amendments and supplements now existing or which are later made thereto;
- (2) The CONTRACTOR agrees to be bound by the legally established local trust agreements as set forth in Article 14 of this AGREEMENT.
- (3) The CONTRACTOR authorizes the parties to such local trust agreements to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the CONTRACTOR;
- (4) Certifies that it has no commitments or agreements which would preclude its full and complete compliance with the terms and conditions of said AGREEMENT.
- (5) Agrees to secure from any CONTRACTORS (as defined in said AGREEMENT) which is or becomes a Subcontractor (of any tier) to it, a duly executed Agreement to be Bound in form identical to this document.

Dated: _____

(Name of Contractor)

(Name of Prime Contractor or Higher Level Subcontractor)

(Authorized Officer & Title)

CA Number _____

(Address)

Contract Or Project # _____

(Phone) (Fax)

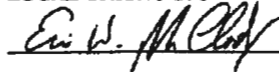
MEMORANDUM OF UNDERSTANDING
COUNTY OF ALAMEDA
PROJECT STABILIZATION/COMMUNITY BENEFIT AGREEMENT

Notwithstanding any provision to the contrary in the County of Alameda Project Stabilization/Community Benefit Agreement ("Project Stabilization Agreement"), this memorandum will confirm that work covered by the Project Stabilization/Community Benefits Agreement within the craft jurisdiction of the Elevator Constructors will be performed under the terms of the National Agreement of the International Union of Elevator Constructors, except that Articles 6,11 and 23 of the Project Stabilization Agreement will apply to such work.

County of Alameda

INTERNATIONAL UNION OF
ELEVATOR CONSTRUCTORS
LOCAL UNION NO. 8

President, Board of Supervisor

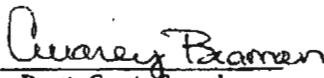


Eric W. McCloud

Date _____

Date 5-20-2013

Approved as to Form:
Donna R. Ziegler, County Counsel

By: 

Deputy County Counsel

MEMORANDUM OF UNDERSTANDING

**COUNTY OF ALAMEDA
PROJECT STABILIZATION/COMMUNITY BENEFIT AGREEMENT**

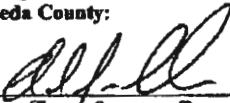
In the event the County decides to cover any given Project with an Owner Controlled Insurance Program (OCIP) during the life of the PSCBA, the following language will apply:

The County intends to implement an OCIP, or wrap up insurance, on the Project. All Contractors and employees performing work on the Project, and not otherwise excluded from the OCIP; will be bound by the requirement of the OCIP Safety Manual; provided however, discipline imposed for alleged violations of the OCIP Safety Manual is subject to the Grievance procedures in Article 23. Any drug testing protocol established by the Contractor for the Project shall satisfy the requirements of the OCIP Safety Manual and be consistent with the MLAs. In the event that there is a conflict between the MLAs and the OCIP requirements, the OCIP requirements shall prevail.

County of Alameda

Building & Construction Trades Council of
Alameda County:

By: _____
President, Board of Supervisor

By: 
Andreas Cluvel, Secretary-Treasurer

Date _____

Date 5/21/13

Approved as to Form:
Doma R. Ziegler, County Counsel

By: _____
Deputy County Counsel

MEMORANDUM OF UNDERSTANDING
COUNTY OF ALAMEDA
PROJECT STABILIZATION/COMMUNITY BENEFIT AGREEMENT

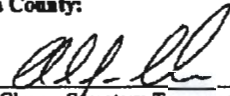
The parties agree that the PLA to which this letter is addended shall not apply to any contracts entered into by the Alameda County Public Works Agency for a period of three years from the effective date of the PLA, except that any and all trucking, as described in Article 5.4 of said PLA, shall be covered by the PLA.

Any disputes concerning the interpretation and or application of this side letter shall be subject to the dispute resolution process set forth in Article 23 of the PLA.

County of Alameda

Building & Construction Trades Council of
Alameda County:

By: _____
President, Board of Supervisor

By: 
Andreas Cluver, Secretary-Treasurer

Date _____

Date 5/21/13

Approved as to Form:
Donna R. Ziegler, County Counsel

By: _____
Deputy County Counsel

MEMORANDUM OF UNDERSTANDING
COUNTY OF ALAMEDA
PROJECT STABILIZATION/COMMUNITY BENEFIT AGREEMENT

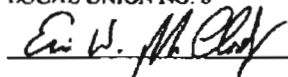
Notwithstanding any provision to the contrary in the County of Alameda Project Stabilization/Community Benefit Agreement ("Project Stabilization Agreement"), this memorandum will confirm that work covered by the Project Stabilization/Community Benefits Agreement within the craft jurisdiction of the Elevator Constructors will be performed under the terms of the National Agreement of the International Union of Elevator Constructors, except that Articles 6, 11 and 23 of the Project Stabilization Agreement will apply to such work.

County of Alameda

INTERNATIONAL UNION OF
ELEVATOR CONSTRUCTORS
LOCAL UNION NO. 8



President, Board of Supervisor



Date 1 JUN 11 2013

Date 5-20-2013

Approved as to Form:
Donna R. Ziegler, County Counsel

By: 

Deputy County Counsel

Exhibit B-5

**PREVAILING WAGE AND
RELATED LABOR REQUIREMENTS CERTIFICATION**

PROJECT/CONTRACT NO.: _____ for County of Alameda (the
"County") and _____ (the "Contractor")
(the "Contract" or the "Project").

I hereby certify that I will conform to the State of California Public Works Contract requirements regarding prevailing wages, benefits, on-site audits with 48-hours' notice, payroll records, the registration and qualification requirements pursuant to Section 1725.5, and apprentice and trainee employment requirements, for all Work on the above Project.

I hereby acknowledge that County will use the Alameda County Contract Compliance System, including the Elation Systems, Inc. program, to monitor contract and labor compliance. Contractor shall use the Compliance System to meet County's requirements, and shall participate in training as directed by County in order to become and remain competent in the use of the Compliance System. Costs associated with the Alameda County Contract Compliance System, including the Elation Systems, Inc. program shall be borne by Contractor and shall not increase the cost of the Contract.

Date: _____

Proper Name of Contractor: _____

Signature: _____

Print Name: _____

Title: _____

END OF DOCUMENT

**EXHIBIT B-6
WORK LETTER**

This **WORK LETTER** (the "Agreement") is hereby made a part of that certain Lease (the "Lease") dated as _____, and made and entered into by _____ a _____, (Tax ID _____), ("Lessor") and the County of Alameda, a body corporate and politic and a political subdivision of the State of California, acting by and through its Board of Supervisors ("County"). All terms used herein which are defined in the Agreement shall have the same meanings herein as are ascribed to such terms in the Lease. Lessor and County hereby agree as follows with respect to the construction of initial improvements in the Premises:

1.0 SPACE PLANS, CONSTRUCTION DOCUMENTS, & LESSOR'S WORK

1.1 Space Plans. Lessor shall be responsible for generating a final space plan to be approved by the County, and for developing the construction documents in accordance with that certain space plan (the "Space Plan") attached to the Lease in Exhibit A. The final space plan shall include a general layout of County workstations, if any, and shall show the locations of all electrical outlets, electrical connections for County workstations (if any), phone/fax/data outlet locations to be cut into walls, ceilings and floors. Lessor shall provide a copy of the space plan to County in CAD format for County's furniture vendor to use as a base sheet for furniture planning.

1.2 Construction Plans and Documents. Lessor will be responsible for providing any surveys and services such as architectural, structural, electrical and mechanical engineering necessary for the preparation of construction drawings and final specifications necessary for the construction of improvements in the Premises that meet the design of the Space Plan (the "Improvements"). Construction documents will include architectural floor plans scaled at 1/4" or 1/8", reflected ceiling, finish schedules, door and hardware schedule, millwork details, electrical, plumbing, HVAC, fire and life safety protection plans, a specification book or project manual (if required by County) and Title 24 calculations. Lessor will provide completed construction drawings for County review no later than thirty (30) days after full execution of this lease; each day of delay beyond the 30-day deadline will correspond to one day of free rent beginning with the rent commencement date.

1.2.1 Plans, Studies, Drawings. Lessor shall cause to be prepared such plans, drawings and specifications (collectively, the "Plans") as may be necessary to obtain a building permit for construction of the Improvements. Upon 100% completion of the Plans, Lessor shall immediately submit Plans to County.

1.2.2 Documents. Lessor agrees to provide cutsheets, manufacturers' specs and other documentation upon County request for all items used in the construction and County Improvements.

1.2.3 County Review and Comment of Construction Plans and Documents. County's review and comments on the Plans and Documents shall not be interpreted as resulting in any approval of the documents or design, but are intended to discover any information which County may be able to call to the Lessor's attention to prevent costly misdirection of effort. The Lessor will remain completely responsible for designing, constructing, operating, and maintaining the building in full accordance with the requirements of this Lease and Agreement. County shall notify Lessor in writing following receipt by County of the Plans of any County comments. Such disapproval shall be communicated with sufficient specificity to enable Lessor to revise the Plans in a manner acceptable to County. County shall be permitted to make minor revisions to the Plans to the extent they may not exactly conform to the Space Plan, but shall reasonably not increase the cost nor not change the scope of the Improvements. County shall not be permitted to propose revisions to the Plans which would conflict with any applicable law. Failure of County to timely notify Lessor of any comments shall constitute approval by County of the Plans. If County timely reviews and comments on any portion of the plans, Lessor shall cause same to be revised accordingly, and shall resubmit the revised Plans to County. The final Plans, prior to submission for permit, are to be presented to County for its review and comment.

1.2.4 Planning/Construction Documents As-Builts. A reproduction set of final As-Built plans, three (3) sets of blueprints, copy of air balance reports, and AutoCad disk will be provided to the County when the Improvements have been completed.

1.2.5 Operating Manuals. Lessor to provide County with operating manuals for thermostats, kitchen/break area equipment such as dishwashers, alarm systems, and any other equipment provided by Lessor when the project has been completed.

1.3 Permit Required Changes. County hereby consents to any changes to the Plans which may be imposed as a condition of obtaining a permit for the construction of the Improvements by any municipal department having jurisdiction over same. Lessor shall immediately notify County of any such changes made.

1.4 County Requested Changes. County may request changes to the final Plans following the submission of the plans by the Lessor for permit. All such requests for changes shall be subject to the procedures set forth in Paragraph 3.4 hereof.

1.5 Lessor's Work/ Work Performance. All work required to be performed by Lessor or Lessor's contractor pursuant to this Agreement is hereinafter referred to as the "Lessor's Work." Lessor shall cause to be constructed, at Lessor's sole cost and expense (except as expressly set forth herein) the Improvements. Work performed under this Lease must be in conformance with the prevailing wage provisions of County and State laws. Prevailing wages are to be paid for work to be performed in connection with this Lease, as provided by relevant provisions of the California Labor Code. Lessor agrees to comply with all applicable provisions of said Code as they relate to the payment of prevailing wages, and Lessor agrees to indemnify, defend and hold County harmless from all claims, costs, causes of action, attorneys fees, damages or liability arising out of or in connection with the failure of Lessor or Lessor's contractors or subcontractors to comply with the applicable provisions of said Code.

1.5.1 Remediation.

Lessor's Work shall include the remediation of asbestos-containing materials, lead-based paint, PCB's and other potential hazards ("Remediation Plans") described hereinafter.

1.5.1.1 Asbestos.

Prior to any remodel/renovation activities, Lessor shall hire a Certified Asbestos Consultant to survey the Premises and common areas to identify any asbestos-containing materials that are present. A copy of the survey shall be provided to the County for its records. Asbestos-containing materials that will be impacted by remodel/renovation activities and/or any damaged asbestos-containing materials that are present in the Premises and common areas shall be remediated prior to the start of construction. Lessor shall use the services of a Certified Asbestos Consultant to design any asbestos remediation activities; inspect the Premises and common areas upon project completion; and collect clearance air samples for analysis by Transmission Electron Microscopy.

1.5.1.2 Lead-Based Paint.

All paint shall be assumed to contain lead unless sampled to prove otherwise. Lessor shall ensure that work impacting lead-based paint complies with all applicable local, state, and Federal regulations. Lessor shall hire a EPA-certified Lead Professional to perform a lead-exposure assessment of the Premises and common areas. The Lessor will conduct remediation activities required to eliminate any exposure issues identified by this assessment.

1.5.1.3 Polychlorinated Biphenyls (PCBs).

The Lessor shall replace any PCB-containing light ballasts. Unless clearly marked "Non-PCB", ballasts will be assumed to contain PCBs. Lessor shall use light ballasts clearly marked "Non-PCB").

1.5.1.4 Other Potential Hazards.

Lessor shall remediate any other potential hazards identified in the Premises and common areas as deemed necessary by Lessor and County to ensure the health and safety of the occupants.

1.5.1.5 Remediation Reports

Upon completion of the work required by this Paragraph 1.5.1, Lessor shall provide to County from Lessor's Certified Asbestos Consultant, EPA-certified Lead Professional, and/or other environmental professional, as appropriate, a written certification, in form and substance reasonably acceptable to County,

indicating that all remediation and/or assessment work has been completed in accordance with all applicable local, state and Federal regulations, and that the Premises and common areas are safe to occupy.

1.5.2 Performance. All work in performance of this Lease, this Agreement, and the construction of the Improvements must be done by skilled workers or mechanics, be acceptable to County, and must be in conformance with the prevailing wage provisions of the State of California, and any other entity having such jurisdiction . Prevailing wages are to be paid for work to be performed in connection with this Agreement, as provided by the relevant provisions of the California Labor Code. Lessor agrees to comply with all applicable provisions of said Code as they relate to the payment of prevailing wages, and Lessor agrees to indemnify, defend, and hold County harmless from all claims, costs, causes of action, attorneys fees, damages or liability arising out of or in connection with the failure of Lessor or Lessor's contractors or subcontractors to comply with the applicable provisions of said Code

1.6 Construction of Lessor's Work. Lessor shall enter into a contract for the construction of Lessor's Work with the general contractor who has been approved by both Lessor and County. Lessor shall cause the construction of Lessor's Work to commence within ten (10) days from the date Lessor has obtained Building Permits pursuant to Paragraph 2.2 of this Agreement ("Lessor's Work Commencement Date"). Lessor agrees to diligently construct and complete Lessor's Work in substantial compliance with the final Plans and Remediation Plans and in compliance with all applicable federal, state and municipal laws of the governmental authorities having jurisdiction. Possession of the Premises, with Lessor's Work completed in accordance with the Final Construction Plans and any Remediation Plans, shall be delivered not later than _____ (xxx) calendar days from Lessor's Work Commencement Date ("Lessor's Work Completion Date"). The parking areas, drives, entrances, sidewalks, curbing, landscaping, and other improvements to the Common Areas which are part of Lessor's Work shall also be completed by Lessor's Work Completion Date.

Lessor's Work Completion Date shall be subject to extensions of time based upon delays beyond Lessor's control as provided in Paragraph 8.1 of this Agreement. If, however, Lessor has not completed Lessor's Work by a date which is _____ (xxx) days from Lessor's Work Commencement Date ("Absolute Deadline Date"), County shall at any time after the Absolute Deadline Date have the election to give Lessor written notice of County's election to terminate the Lease if Lessor does not complete Lessor's Work within thirty (30) days following receipt of County's notice. If Lessor completes Lessor's Work within such thirty (30) day period, the Lease shall remain effective, otherwise the

Lease shall terminate at the end of such thirty (30) day period without further acts of the parties required. For every day beyond the Absolute Deadline Date that Lessor has not completed Lessor's Work, Lessor shall grant County a day of free Rent starting the first day of County's obligation to pay Rent as described in the Lease. County shall prorate the amount of free Rent starting with County's first payment of Rent as provided under the Lease.

2.0 CODES AND PERMITS

2.1 Codes. All work shall be in accordance with the most current editions of the following codes and standards:

- Local Building Code, current edition, and current Uniform Building Code
- Local Plumbing, Electrical, Mechanical and Fire codes, current edition
- State Building Code, Title XXIV
- Bay Area Air Quality Management District (BAAQMD)
- Bay Area Water Quality Control District
- California Administrative Code
- Comprehensive Environmental Response Compensation and Liability Act
- Americans With Disabilities Act, current updates
- All other codes enforced within local jurisdiction

2.2 Permits. All required permits for the construction, remodeling, testing, or debris removal are to be obtained by the Lessor from those jurisdictions having such authority to grant them.

2.3 Copies Provided To County. Copies of all permits shall be provided to County upon Substantial Completion, as defined hereinafter.

3.0 FEES, COSTS, AND CHANGE ORDER PROCEDURE

3.1 Construction Management Fees. Lessor shall be paid a construction management fee equal to 10% of the hard and soft costs of the Lessor's Work, Improvements and architectural/engineering services. The construction management fee shall be a component of the cost of the improvements and subject to the Cap as described in the lease terms, and not in addition to the Cap.

3.2 Cost of the Improvements. Except as otherwise set forth herein, Lessor shall bear all costs of constructing the Improvements. The cost of the Improvements shall include, without limitation, preparation of Plans and all working drawings, obtaining building permits, labor and materials used in such construction, and all other costs of such construction including a conditional use permit (if required) and occupancy permits.

3.3 Changes Requested by the Lessor. Except as required in Paragraph 1.4 above, Lessor shall not enter into any change without County's prior written approval. Any such disapproval of Lessor's written request on the part of County shall be accompanied by a statement of the reasons for such disapproval, set forth with sufficient specificity to permit Lessor to understand the nature of County's objections thereto.

3.4 Changes Requested by the County. County may require Lessor to perform any such additional, nonstandard or revised work (hereinafter collectively referred to as "Extra Work") desired by County. County acknowledges that any delays in the completion of the Improvements caused by the review of any request for, as well as any approval and/or performance of, Extra Work shall constitute a County Delay as described in Paragraph 8.2 below

3.4.1 Request Procedure. Any request by County for Extra Work which would require a change to the final Plans shall be accompanied by all necessary additional and/or revised Plans, if necessary, for such Extra Work. Lessor shall respond in writing to any request by County for the performance of Extra Work, which response shall include the scope, extra cost or credit, and delay of the completion of the Improvements, if any. Any approval of such request may, in Lessor's sole discretion, be conditioned upon any or all of the following: (1) payment by County of all estimated costs of such Extra Work no later than thirty (30) days after Substantial Completion; as described in Paragraph 3.4.3 below; (2) the written acknowledgment by County that any additional time required to perform such Extra Work shall constitute a County Delay; and (3) any other reasonable conditions which Lessor may find to be reasonable under the circumstances

3.4.2 County Approval. County shall approve or disapprove Lessor's written response on the scope, cost (if any), and delay (if any) of the Extra Work within three (3) business days following presentation by Lessor. No Extra Work shall be deemed approved by County unless written authorization is received from, or the Extra Work request is signed by, the Director of the General Services Agency or the General Services Agency Real Property Manager. Lessor acknowledges, and Lessor shall direct Lessor's contractor to acknowledge that no direction for Extra Work from County's employees, agents, or contractors that changes the scope of the Improvements, the cost of the Improvements, or changes the completion date of the Improvements is valid unless the procedure described in this Paragraph 3.4.2 is followed. If County shall fail to approve Lessor's response for Extra Work within three (3) business days following Lessor's presentation to County, the proposed Extra Work shall be deemed disapproved by County.

3.4.3 Payment Procedure. Upon Substantial Completion (defined in Paragraph 4.3 hereof), Lessor shall submit to County the approved Extra Work request and an original invoice including any detailed cost breakdowns from the contractor showing materials and labor. The invoice shall include Lessor's taxpayer identification number. County shall pay Lessor, based on the invoice, within thirty (30) days of receipt of Lessor's complete, correct invoice.

3.5 Lessor's Error. To the extent any Extra Work is required as a result of Lessor's error, omission, negligence or willful misconduct, Lessor shall be responsible for the cost of performing such Extra Work. However, Lessor shall not be responsible for any Extra Work required as a result of the error, negligence or willful misconduct of any contractor chosen by County.

4.0 SCHEDULES AND COMPLETION OF IMPROVEMENTS

4.1 Schedules. Lessor shall provide County with a detailed construction schedule within one (1) week of full execution of the Lease. The schedule will include all trades, particularly noting when walls and ceilings will be open for County's cabling subcontractor to install communication and data processing wires. Lessor's contractor shall coordinate with County's cabling contractor for the installation dates for County's cabling requirements. The schedule will also be updated at least thirty (30) days prior to anticipated Lease commencement date set forth in the Lease. Lessor's Contractor shall provide access during regular business hours to the Premises for County's employees and agents to install telephone and data cables prior to dropping ceilings or closing walls.

4.2 Access to Premises during Construction. County and its approved contractors shall have the right to enter the Premises during the construction of the Improvements, without payment of rent, for the following purposes only: (a) to perform such work or decoration as is to be performed by or under the direction or control of County; (b) to review the progress of the construction of the Improvements for the purpose of coordinating County's move into the Premises; (c) to install County's furniture, fixtures, and equipment, provided that such entry or performance of work shall not interfere in any manner with the conduct of Lessor's Work; and (d) to review construction in progress to insure that the Improvements are being constructed according to the Plans. Any entry into the Premises by County, its agents, contractors and employees, during the construction of the Improvements shall be at the sole risk of the County, and County hereby releases Lessor, its agents, contractors and employees, from any and all liability, cost, damage, expense and claim for injury (including bodily injury, death or property damage) (collectively, "Claims") incurred or suffered by Lessor in or about the Premises during the construction of the Improvements, except for Lessor's or Lessor's contractor's error, omission, negligence or willful misconduct.

4.3 Substantial Completion. “Substantial Completion” shall be defined as when the Lessor’s Work in constructing the Improvements is completed in accordance with the final Plans, this agreement, and any Extra Work, and specifically upon the following:

- 4.3.1** Debris caused by Lessor’s or County’s trades, utility providers, and others has been removed;
- 4.3.2** All walls and partitions have been erected, with doors and hardware installed, and have received final painting or wall covering;
- 4.3.3** All ceilings and lighting are installed and operative;
- 4.3.4** All glass, door locks, door hardware, counters and cabinetry have been installed;
- 4.3.5** All flooring and base has been installed, cleaned, and buffed and VCT waxed;
- 4.3.6** Lessor has insured that the local telephone company has provided working telephone service to meet County’s required number of telephone lines to the Building minimum point of entry (MPOE);
- 4.3.7** The lobby, elevators, heating air conditioning, plumbing, and electrical systems have been installed and are in good working condition;
- 4.3.8** All elevators are available for County’s use shall have current permits;
- 4.3.9** The entire Premises have been cleaned and are in unblemished condition. Stray paint on hardware, door and window frames, ceiling grid, and glazing shall be removed. Windows/glazing will be cleaned both on interior and exterior of Premises. All labels, tape, plastic covering light fixtures, and construction markings shall be removed. All debris shall be removed from exterior areas, sidewalks swept, parking lots washed and swept, and trash shall be hauled within one (1) week of County moving in. All air intake vents and returns to be cleaned and filters changed.
- 4.3.10** The expiration of thirty day’s prior notice to County that the foregoing items above will be complete.
- 4.3.11** Lessor’s receipt of a certificate of occupancy (or equivalent final regulatory approval such as final permit signoff by the local building inspector that the Improvements have been completed to all applicable codes and the

Premises are ready for occupancy by County) and sign-off by the local fire department.

4.4 County Walk-through/Punchlist. Within five (5) days following or upon Substantial Completion of the Improvements, County and Lessor shall conduct a walk-through inspection of the Premises to determine County's acceptance of Premises and to agree on the Punchlist of items of Lessor's Work still to be completed by Lessor ("Punchlist").

4.5 Acceptance of Premises.

4.5.1 Lessor shall deliver the Premises to County, and County shall accept the Premises, upon Substantial Completion of the Improvements (subject to Punchlist items). If County accepts the Premises and the Punchlist items are agreed upon, the Lease Commencement Date shall be deemed to have occurred on the first business day following County's acceptance of such Substantial Completion.

4.5.2 Neither the County's acceptance of the Premises for occupancy, nor the County's occupancy thereof, shall be construed as a waiver of any requirement of Lessor or right of the County under this Lease, its attachments, addenda, or its Exhibits, or as otherwise prejudicing the County with respect to any such requirement or right. Lessor shall remain responsible for diligently correcting any construction deficiencies, latent defects, or design errors of the Improvements that may be discovered after County's acceptance and occupancy of the Premises.

4.6 Completion of Punchlist Items. Lessor's contractor shall complete all Punchlist items within thirty (30) days after the walk-through inspection. Lessor shall provide the AS-Built Plans and items detailed in Paragraph 1.2.4. and 1.2.5 above as part of the Punchlist.

5.0 SPECIFICATIONS

In the event of any conflicts between the requirements set forth hereinafter and the above-referenced codes and standards, the more stringent requirement shall apply.

5.1 Contractors and Materials. Except as otherwise herein provided or as may be otherwise approved by Lessor, all construction of the Improvements shall be performed by Lessor's contractors. Unless otherwise expressly described in the Plans or

expressly described herein this Agreement, all wall coverings, woodwork, paint, floor coverings and other finishes shall be of building standard quality, as determined by Lessor ("Building Standard") from time to time for general tenant improvement work in the Building. Lessor shall not under any circumstances be required to provide or pay for any furniture, trade fixtures, equipment or other personal property of County, or any other item which is not to be permanently affixed to the Premises and made a part thereof.

5.2 Color Selections. County shall approval all colors prior to the ordering of any materials requiring color choice. County may choose up to two paint colors per office/room for walls.

5.3 Partitions. 5/8" gypboard on both sides of 2-1/2" metal studs at 24" on center, from floor slab to suspended ceiling for non-rated; from floor slab to roof or concrete slab above for rated. All walls will be straight, level and plumb. There will be no visible joints, cracks, crazing, tool marks or discoloration.

5.4 Doors, Frames, Hardware, and Locks. All doors shall be full height 3'-0" x 1-3/4" thick solid core. Approved commercial grade ADA locksets will be provided for all offices and storage rooms. Approved ADA latchsets shall be provided to all other doors. All locksets and latchsets Schlage with Rhodes level or equivalent. Copy rooms, entry doors, break room doors shall have automatic LCN door closers. All doors to include Glynn Johnson door stops. Stanley, McKinney or Lawrence 1-1/2" x 4-1/2" butt hinges. Use Pemko thresholds where required. Clearance for all doors shall not exceed 1/4" from finish floor or threshold, 1/8" for jambs and heads and meeting edges. Keying -- furnish keys to all employees designated by County. Key and master key all locksets and cylinders. For existing spaces, rekey all entry doors, storage rooms, and private offices.

5.5 Sound Insulation and Acoustical Requirements. For demising partitions, conference rooms, sound-sensitive rooms, all partitions will be built from floor to slab above and include 3-1/2" batt insulation. For all walls located adjacent to other private offices, 3-1/2" batt insulation will be included, with a blanket acoustical insulation at least 24" in ceiling on each side of the office partitions. Electrical outlets will be staggered between offices to minimize sound transmission. HVAC ductwork shall be diverted to minimize sound transmission. Lessor shall provide HVAC equipment and exhaust fans that transmit sound levels acceptable to County. If unacceptable, Lessor agrees to replace/repair at County's request at no charge.

REVERBERATION CONTROL:

Ceilings in carpeted space shall have a Noise Reduction Coefficient (NRC) of not less than 0.55 in accordance with ASTM C-423. Ceilings in offices, conference

rooms, and corridors having resilient flooring shall have an NRC of not less than 0.65.

AMBIENT NOISE CONTROL:

Ambient noise from mechanical equipment shall not exceed Noise Criteria curve (NC) 35 in accordance with the ASHRAE Handbook in offices and conference rooms; NC 40 in corridors, cafeterias, lobbies, and toilets; NC 50 in other spaces.

NOISE ISOLATION:

Rooms separated from adjacent spaces by ceiling-high partitions (not including doors) shall not be less than the following Noise Isolation Class (NIC) Standards when tested in accordance with ASTM E-336:

conference rooms: NIC-40

offices: NIC-35

The Acoustical Requirements in this Section shall take precedence over any additional specifications in this Lease if there is a conflict.

5.6 Painting. Products should be selected that are the least harmful to human health and the environment. Properties of such products include: no carcinogenic ingredients; zero/low Volatile Organic Compounds (VOC's); and low odor. Material Safety Data Sheets (MSDS's) should be submitted to the County for approval, prior to application. Adequate ventilation shall be used during application, and for at least 48 hours after completion.

Fuller-O'Brien, Sherwin-Williams, Benjamin Moore, or equal. Minimum shall include one coat primer with P.V.A. primer sealer, and two finish coats. Apply additional coats if necessary to provide uniform coverage and full hiding. All tool marks, nail holes, defects shall be sanded smooth prior to painting. Paint all exposed conduit in finished areas. Paint all interior surfaces of air ducts, baseboard heating units that are visible through grilles and louvers with one coat of flat black paint. Paint dampers exposed behind louvers, grilles to match face panels. Paint chips will be provided to County within one (1) week of Lease execution for primary wall and door colors. Brushouts (8" x 10") will be provided to County for approval. Once the Premises are occupied, paint touch ups with County approved products will be conducted during unoccupied hours, with 3 days advance notice to the County.

5.7 Electrical. Three duplexes shall be provided to each private office. Larger conference/training rooms shall include at least one duplex per wall. Each workstation shall be provided with an equivalent of three duplexes. Outlet plates -- white or color-

approved by County. Dedicated circuits shall be provided for telephone and data processing equipment, copiers, shared printers, microwave oven, servers and other special equipment. GFI receptacles shall be provided adjacent to water sources. Code all special receptacles. Label all electrical panels. Each room switched, with multiple-way switches for rooms with multiple doors. Load shall be no less than five (5) watts per square foot. If building requires additional power, Lessor will supply such power.

5.8 Communications and Data Processing. All cabling is to be provided by County through a County-approved cabling vendor. A minimum of one telecommunications outlet will be provided for each workspace. The number of telecommunications outlets for conference rooms and other areas will be dependent on their size and function and must be approved by County. All communication outlets should have a ring and string provided for voice and data cabling. Refer to County's cabling specifications in Exhibit B-1 for additional information.

5.9 Telephone Service. County will provide its own phone service within its Premises. Lessor will provide all necessary electrical, conduit, plywood backboard, etc., to support County's phone system, including bringing the Pacific Bell telephone service to the Building's minimum point of entry (MPOE) and shall to connect to County's telephone equipment room to enable distribution of cable and wire.

5.10 Pathways/Conduit. Provide all necessary conduit and pathways for County's data processing, communications and electrical. This shall include pathways to County's workstations and pathways from Building's utility rooms to County's equipment to enable distribution of cable and wire. The exact size and location of conduits to be determined by County's communications and data processing departments. If County is on more than one floor of the Building, Lessor shall provide at least two, 4-inch vertical conduits between the floors of the building connecting the County Premises.

5.11 Heating, Ventilation and Air Conditioning. The HVAC system shall meet the following specifications:

- The building shall be heated and cooled by a forced-air system consisting of separate thermostatically controlled zones of not more than 1,000 square feet each. The HVAC equipment shall be sized to maintain an inside temperature of 70 °F during heating cycles and 76 °F during cooling cycles when outside temperatures range from 30 °F to 90 °F, dry bulb, respectively. Meeting/Conference room shall have a dedicated thermostat with a manual override feature for continuous operation and shall be located in that Meeting/Conference room regardless of the occupancy. The terminal boxes that distribute the air shall be sized appropriately to meet all heating and cooling loads and fresh air requirement per ASHRAE Standard 62.1-2010 Ventilation for Acceptable Indoor Air Quality (IAQ). Supply and return registers shall be

provided for all rooms and open areas of the Premises and meet the design air flow rates (throw) for heating and cooling.

- The HVAC design shall take into account all heat-generating loads, and shall be based on an occupant loading of one person per 12 square feet for meeting rooms, and one person per 100 square feet for all other areas of the building, but not exceed the International Building Code (IBC) standard for calculating the maximum occupancy for an area.
- The HVAC system shall meet the minimum outside air requirement according to ASHRAE 62.1-2010 ventilation requirements. For the purpose of clarity, the HVAC system may exceed the minimum fresh air requirement. The outside air shall be provided continuously during occupied hours and be provided independent of the heating and cooling cycles.
- Separate exhaust fans shall be provided for all toilet rooms and kitchen/break rooms. The minimum exhaust rate for exhaust fans shall be two CFM per square foot.
- The HVAC operating controls shall include manual overrides for after-hours operation of each zone, and controls to schedule the HVAC equipment on and off. After-hours operation shall include at least 60 minutes of operation.

A final air balancing report of the HVAC system shall be provided to the County, along with any other documentation required to demonstrate compliance with the above criteria.

5.12 Plumbing. All break rooms, kitchens and toilets shall include hot and cold water supplied to faucet, sink, stops, traps. Valves shall be accessible. Provide commercial grade high-flow flush system toilets, sinks and faucets. Provide handicap toilets and fixtures as required by code

5.13 Toilets and Accessories. Restroom toilets must be good quality commercial grade high-flow flush system fixtures in good condition. Provide new toilet seats. Provide new soap, paper toilet seat cover, and paper towel dispensers, and separate sanitary napkin disposal containers in the Women's toilets. Alter plumbing as required. Comply with handicap code. Mirrors to be provided at sinks in the restrooms.

5.14 Flooring.

5.14.1 Subfloor. Repair as needed.

5.14.2 Carpet. All carpet products installed shall be at minimum 23 oz face weight carpet tiles and certified to meet the NSF/ANSI-140 standard at the Platinum certification level. Fiber Content shall be 100% commercial grade nylon type 6 or type 6,6. Product used shall have a minimum 10 percent recycled content. Primary PVC backing/backcoating material shall have a minimum of 40% recycled content. Products must meet one of the following: i) carpet tile that complies with testing and product requirements of CRI's "Green Label Plus" program; or ii) carpet tile that complies with the product requirements of the California Department of Health Services' "Standard Practice for the Testing of Volatile Organic Emissions from Various Sources Using Small-Scale Environmental Chambers" Adhesives shall be water-resistant, mildew-resistant, non-staining, pressure-sensitive type to suit products and subfloor conditions indicated, that complies with flammability requirements for installed carpet tile and is recommended by carpet tile manufacturer for releasable installation. Alternatively, dry adhesives with virtually no-VOCs can be used. Adhesives shall have: a) a VOC content of 50 g/L or less when calculated according to 40 CFR 59, Subpart D (EPA Method 24); or b) shall comply with the testing and product requirements of the California Department of Health Services' "Standard Practice for the Testing of Volatile Organic Emissions from Various Sources Using Small-Scale Environmental Chambers." Lessor shall store a minimum of three percent (3%) stock for County for future repairs. Lessor shall provide same die lot for entire installation. Provide a warranty for the Term of the Lease on product and installation.

5.14.3 Resilient Flooring. Vinyl composition tile, 12" x 12" Armstrong Standard Excelon Tile, shall be provided in break rooms, kitchens, storage rooms, copy rooms, restrooms, janitor's closets, and utility rooms. County to be provided with samples to select color within one (1) week of executing County's Lease.

5.14.4 Base. In conjunction with the installation of all carpeting, remove and replace all current molding with rubber cover base that is a minimum of 4" high. Standard "Roppe" or "Burke" rubber base, 48" cut lengths, 1/8" thick, with premolded inside and outside corners shall be provided along all partitions, cabinet bases. Straight base shall be provided with carpet flooring and cove base shall be used with VCT and hard flooring. Provide tile/carpet joiner reducer moldings. County to be provided with samples to select color within one (1) week of executing County's Lease.

5.15 Lighting, Interior.

5.15.1 Fixtures. 2' X 4' recessed troffer fixture should feature two 5000K lamps Direct/Indirect. One or three lamp fixtures are acceptable if needed, based on lighting levels required. The County's acceptable desktop light level for workspaces is above 30 Foot-candles (maintained). All new fixtures need to include quick disconnects to meet current NEC codes. Lenses shall be made from clear prismatic, acrylic material of 0.125" thickness (A12). Wrap-around lenses must be sized and contoured to be similar to factory-supplied lenses in appearance. Flat lenses must be cut evenly and sized properly so they can be installed in a secure manner. Ballasts to have minimum "A" sound rating and U.L. approved. Energy-efficient ballasts and controls shall be provided. Provide emergency lighting for egress, including fixtures for toilet and common areas. For existing lighting, re-lamp and repair/replace to meet lighting levels and energy efficiency.

Linear Fluorescent Electronic Ballasts

Standard output ballasts must have a ballast factor of 0.87 - 0.89.
Reduced output ballasts must have a ballast factor of 0.77 - 0.78
Catalog or reference output must have a ballast factor of 0.95 – 1.05.
High output ballasts must have a ballast factor of 1.15-1.20.

Linear fluorescent retrofit measures with T8 lamps must have "extra-efficient" ballasts from the following list of manufacturers and brand names:

Linear Fluorescent Lamps

1. All new 2-foot fluorescent lamps used in fixtures shall be F17T8 (when required).
2. All new 4-foot fluorescent lamps used in fixtures shall be F32T8 (Preferred).

Linear fluorescent lamps must be "premium" quality, meaning that they must have the following characteristics

- A minimum rated life (at 3-hour start rating) of 24,000 hours with instant start ballasts.
- Lamps must have a CRI between 80 and 86.
- Lamps must have color temperature **5000K**
- 4-foot Lamps must have an initial (catalog) lumen output \geq 3000 lumens.
- Lamps must carry a three-year parts warranty.
- Lamps shall be designated as "low mercury content," with $<$ 6 mg of mercury per 4-foot lamp.

5.15.2 Lighting Levels. All lighting levels shall at minimum meet Title 29 of the code of Federal Regulations at section 1926.56 for the light

required in foot-candles for various types of work. For areas and or types of work not covered by Title 29, refer to the American National Standard A11.1-1965 R19970 for recommended values of illumination. Title 29 minimum requirements are provided as a reference below:

TABLE D-3—MINIMUM ILLUMINATION INTENSITIES IN FOOT-CANDLES IS

Foot-candles	Area or operation
5	General construction area lighting.
3	General construction areas, concrete placement, excavation and waste areas, accessways, active storage areas, loading platforms, refueling, and field maintenance areas.
5	Indoors: warehouses, corridors, hallways, and exitways.
5	Tunnels, shafts, and general underground work areas: (Exception: minimum of 10 foot-candles is required at tunnel and shaft heading during drilling, mucking, and scaling. Bureau of Mines approved cap lights shall be acceptable for use in the tunnel heading.)
10	General construction plant and shops (e.g., batch plants, screening plants, mechanical and electrical equipment rooms, carpenter shops, rigging lofts and active storerooms, barracks or living quarters, locker or dressing rooms, mess halls, and indoor toilets and workrooms).
30	First aid stations, infirmaries, and offices.

5.16 Ceiling. 2' x 4' suspended ceiling grid, with 2' x 4' Armstrong Second Look II, 9/16" score ceiling shall be provided. Tiles to be new, or like new -- no yellowed, broken or stained tiles will be acceptable. Seismic bracing compliance required. Provide stock supply of ceiling tile (one [1] unit for 100 units installed) shall be provided to County and stored by Lessor for repairs. Provide guarantee for term of lease against sag. All components of ceiling grid to terminate at the end of each wall, to be aesthetically pleasing.

5.17 Glazing. All private offices and conference rooms to include full height twenty-four (24") inch wide side light. All offices will be provided with mini-blinds to cover all glazing. 3M or equivalent film shall be provided on exterior glass for sun control, as requested by County.

5.18 Window Coverings. Install 1" mini-blinds. Color to be selected by County.

5.19 Fire Protection. An approved automatic sprinkler system, fire alarm system and fire extinguishers shall be provided to meet code and tested per the NFPA25 standards. Provide U.L.-approved, polished chrome, semi-recessed, with polished chrome escutcheons. Fire extinguishers shall be recessed in partition in cabinet. Lessor shall provide County with Fire Department certificate upon occupancy by County.

5.21 Signage and Graphics. Provide suite signage, floor lobby directory, central lobby directory or monument, die cut fire extinguisher signs, and all regulatory signage. Wording for County's use in the lobby to be provided.

5.22 Energy Management. Lessor shall install such a system to the Premises that meets the County's Specifications for a new CSI management system. The County would expect that the installation be of premium quality, follow all CSI guidelines and allow for maximum data acquisition from and control of the site. County shall provide detailed specifications during the development of the Plans.

6.0 COUNTY-APPROVED EQUIVALENTS

In the event of any question of County-approved equivalents in these specifications, Lessor is to contact the Real Property Manager of the General Services Agency for approval.

7.0 CERTIFICATIONS

Lessor shall provide the following certifications upon completion of the Improvements at or before completion of the Punchlist:

- 7.1.1 Seismic.** Lessor shall furnish at no cost to County a certification from a qualified, licensed, and registered structural engineering firm attesting that the Building meets seismic standards of the applicable UBC code.
- 7.1.2 Building Systems.** Lessor shall furnish at no cost to County a certification by a licensed and registered professional engineer(s) showing the Premises and its systems are designed in accordance with ASHRAE/IES standards and is designed to optimally accommodate the County Space Plan.
- 7.1.3 Floor Load.** Lessor shall provide at no cost to County a report by a licensed and registered professional structural engineer(s) certifying the level of the floor load capacity, and any restrictions.
- 7.1.4 Acoustical Testing.** Lessor shall provide at no cost to the County test reports by a qualified acoustical consultant showing that acoustical requirements of this Lease have been met (see Acoustical Requirements Section, 5.5)

8.0 DELAY

8.1 Lessor Delay/Force Majeure. The term "Force Majeure" shall mean any delay in the completion of the Improvements which is attributable to any (1) delay or failure to perform attributable to any strike, lockout or other labor or industrial disturbance, civil disturbance, judicial order, act of a public enemy, war, riot, sabotage, blockade, embargo, inability to secure customary materials, supplies or labor through

ordinary sources by reason of regulation or order of any government agency; (2) delay attributable to inability to secure building permits and approvals; (3) delay in completing working drawings or other necessary components of final Plans, and/or delay in the construction of the Improvements despite Lessor's diligent efforts to complete same, because of changes in any laws subsequent to the execution date hereof (including, without limitation, the Americans with Disabilities Act of 1990) or changes in the interpretation of any such law by the applicable building department; or (4) delay attributable to lightening, earthquake, fire, storm, hurricane, tornado, flood, washout, explosion, or any other natural cause beyond the reasonable control of Lessor.

8.2. County Delay. The term "County Delay" shall mean, with respect to the completion of the Improvements, delay which is attributable to any (1) delay in the giving of authorizations or approvals by County; (2) delay attributable to the negligent or willfully wrongful acts or failures to act, of County, its agents or contractors, where such acts or failures to act delay the completion of the Improvements; (3) delay attributable to the interference of County, its agents or contractors with the completion of Lessor's Work, including delays resulting from entry into the Premises by such persons as contemplated in Paragraphs 4.2 and 5.8 above; or (4) any delay in obtaining a certificate of occupancy (or final permit sign-off) for the Premises as a result of the failure of any contractor hired by County to complete any portion of the Improvements (required for such certificate of occupancy or final permit sign-off) prior to the completion of Lessor's work. In the event of any County Delay, the date of delivery of the Premises to County by Lessor shall be deemed, for the purpose of determining the Commencement Date, to be the day Lessor would reasonably have completed Lessor's Work but for County's Delay.

LESSOR

_____, a _____, (Tax ID _____)

By _____

Its _____

Date _____

EXHIBIT "C"

COUNTY OF ALAMEDA MINIMUM INSURANCE REQUIREMENTS

Without limiting any other obligation or liability under this Agreement, the LESSOR, at its sole cost and expense, shall secure and keep in force during the entire term of the Agreement or longer, as may be specified below, the following insurance coverage, limits and endorsements:

A	Commercial General Liability Premises Liability; Products and Completed Operations; Personal Injury and Advertising Liability	\$1,000,000 per occurrence (CSL) Bodily Injury and Property Damage
B	Workers' Compensation (WC) and Employers Liability (EL) Required for all LESSOR's with employees	WC: Statutory Limits EL: \$100,000 per accident for bodily injury or disease
C	Property insurance Against all risks of loss to any tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision.	At full replacement cost with no coinsurance penalty provision.
D	<p><u>Endorsements and Conditions:</u></p> <p>1. ADDITIONAL INSURED: General Liability Insurance Policies shall include as additional insured County of Alameda, its Board of Supervisors, the individual members thereof, and all County officers, agents, employees and volunteers. The Additional Insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13.</p> <p>2. DURATION OF COVERAGE: All required insurance shall be maintained during the entire term of the Agreement</p> <p>3. REDUCTION OR LIMIT OF OBLIGATION: All insurance policies, including any excess and umbrella insurance policies, shall include an endorsement and be primary and non-contributory and will not seek contribution from any other insurance (or self-insurance) available to the County. The primary and non-contributory endorsement shall be at least as broad as ISO Form 20 01 04 13. Pursuant to the provisions of this Agreement, insurance effected or procured by the Lessor shall not reduce or limit Lessor's contractual obligation to indemnify and defend the Indemnified Parties.</p> <p>4. INSURER FINANCIAL RATING: Insurance shall be maintained through an insurer with an A.M. Best Rating of no less than A-:VII or equivalent, shall be admitted to the State of California unless otherwise waived by Risk Management, and with deductibles amounts acceptable to the County. Acceptance of Lessor's insurance by County shall not relieve or decrease the liability of Lessor hereunder. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Lessor.</p> <p>5. SUB-CONTRACTORS: Lessor shall include all subcontractors as an insured (covered party) under its policies or shall verify that the subcontractor, under its own policies and endorsements, has complied with the insurance requirements in this Agreement, including this Exhibit. The additional insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13.</p> <p>6. JOINT VENTURES: If Lessor is an association, partnership or other joint business venture, required insurance shall be provided by any one of the following methods: - Separate insurance policies issued for each individual entity, with each entity included as a "Named Insured (covered party), or at minimum named as an "Additional Insured" on the other's policies. - Joint insurance program with the association, partnership or other joint business venture included as a "Named Insured.</p> <p>7. CANCELLATION OF INSURANCE: All insurance shall be required to provide thirty (30) days advance written notice to the County of cancellation.</p> <p>8. CERTIFICATE OF INSURANCE: Before commencing operations under this Agreement, Lessor shall provide Certificate(s) of Insurance and applicable endorsements, in form and satisfactory to County, evidencing that all required insurance coverage is in effect. The County reserves the rights to require the Lessor to provide complete, certified copies of all required insurance policies. The required certificate(s) and endorsements must be sent as set forth in the Notices provision.</p>	

EXHIBIT "D"

**MEMORANDUM CONFIRMING
COMMENCEMENT DATE OF LEASE TERM**

LOCATION: 516 31ST STREET, OAKLAND, CA

On this ____ day of _____ 201_, the County of Alameda ("County") and Bay Area Community Services ("Lessor") hereby confirm that the Commencement Date of the Term of the Lease dated _____, shall be _____, 201_, and the Expiration Date shall be _____.

Execution of this memorandum is not a waiver of any right of County or not a waiver of Lessor's obligation.

County of Alameda _____ Date: _____

its: _____

Lessor _____ Date: _____

its: _____

Exhibit E

CHFFA Grant Agreement Number ALMD-02

Exhibit F

The Grant Regulations

TEXT OF REGULATIONS

CALIFORNIA CODE OF

REGULATIONS TITLE 4,

DIVISION 10, CHAPTER 5

Investment in Mental Health Wellness Grant Program

Section 7113. Definitions.

The following definitions shall apply wherever the terms are used throughout this Chapter.

- (a) “Applicant” means an entity that meets the eligibility requirements as further described in Section 7114 for submission of an Application and submits an Application.
- (b) “Application” means the written request for a Grant under the Investment in Mental Health Wellness Grant Program in the form and format of the Investment in Mental Health Wellness Grant Program Application Form No. CHFFA 7 MH-01 (Rev.05/2015), including all supporting information and documents, as further described in Section 7116.
- (c) “Audited Financial Statements” means an examination and report of an independent accounting firm on the financial activities of a public agency or private nonprofit corporation.
- (d) “Authority” means the California Health Facilities Financing Authority.
- (e) “Authority Staff” means employees of the Authority.
- (f) “Bay Area Region” means the counties of Alameda, Contra Costa, Marin, Monterey, Napa, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma.
- (g) “Capital Funding” means the Grants the Authority may award up to a total of \$142,500,000 for all Projects except Mobile Crisis Support Team personnel projects.
- (h) “Central Region” means the counties of Alpine, Amador, Calaveras, El Dorado, Fresno, Inyo, Kings, Madera, Mariposa, Merced, Mono, Placer, Sacramento, San Joaquin, Stanislaus, Sutter, Tulare, Tuolumne, Yuba, and Yolo.
- (i) “Counties Applying Jointly” means counties that submit an Application together for a Project to deliver crisis services.
- (j) “Crisis Intervention” means crisis intervention as defined in Section 1810.209 of

Title 9 of the California Code of Regulations.

(k) “Crisis Residential Treatment” means crisis residential treatment services as defined in Section 1810.208 of Title 9 of the California Code of Regulations.

(l) “Crisis Stabilization” means crisis stabilization as defined in Section 1810.210 of Title 9 of the California Code of Regulations.

(m) “Executive Director” means the executive director of the Authority.

- (n) “Final Allocation” means the Grant amount approved by the Authority.
- (o) “First Funding Round” means the initial time period during which Applications may be submitted for consideration of funding by the Authority.
- (p) “Going Concern Qualification” means an opinion of an independent accounting firm auditor that there is substantial doubt regarding the entity's ability to continue into the future, generally defined as the following year.
- (q) “Grant” means an award of funds to an Applicant.
- (r) “Grant Agreement” means a written agreement between the Authority and a Grantee that consists of the terms and conditions of the Grant.
- (s) “Grant Award Letter” means the official notification that a Grant has been approved by the Authority.
- (t) “Grant Period” means the time period from the date of Final Allocation to the date set by the Authority for the Grant to end.
- (u) “Grantee” means a county, private nonprofit corporation or public agency that has been awarded or designated to receive Grant funds.
- (v) “Initial Allocation” means the Grant amount the Authority Staff recommends the Authority approve for Final Allocation as further described in Section 7120.
- (w) “Lead Grantee” means the county or joint powers authority with a county as a member designated on the Application to have the primary responsibility for the fiscal management of Grant funds, records retention, reporting and all of the other aspects of compliance with this Chapter and the Grant Agreement.
- (x) “Los Angeles Region” means the County of Los Angeles and all communities within it.
- (y) “Mobile Crisis Support Team” means a mobile unit staffed by designated personnel, which may include peers, dispatched to assist individuals experiencing mental health issues.
- (z) “Personnel Funding” means the Grants the Authority may award up to a total of \$6,800,000 to fund Mobile Crisis Support Team personnel.
- (aa) “Program” means Crisis Stabilization, Crisis Residential Treatment, or Mobile Crisis Support Teams and the Crisis Intervention and Rehabilitative Mental Health Services provided therein.

(bb) "Project" means startup or expansion of Program(s) and acquisition, construction, renovation or financing of capital assets; or equipping and staffing a Mobile Crisis Support Team.

(cc) "Rehabilitative Mental Health Services" means rehabilitative mental health services as defined in Section 1810.243.1 of Title 9 of the California Code of Regulations.

(dd) "Related Supports" means local service providers who interact with individuals before, during and after a mental health crisis, including health care providers (such as hospitals, clinics, and substance abuse providers), law enforcement, mental health providers and peer support services, social services, triage personnel, housing providers, and other supports within the continuum of care.

(ee) "Southern Region" means the counties of Imperial, Kern, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura.

(ff) "Subsequent Funding Rounds" means any specified time period after the First Funding Round during which Applications may be submitted to be considered for funding by the Authority, subject to the availability of funds.

(gg) "Superior Region" means the counties of Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Nevada, Plumas, Shasta, Sierra, Siskiyou, Tehama, and Trinity.

(hh) "Target Population(s)" means the specific group(s) of people identified as the intended beneficiaries of the Program(s) to be funded by a Grant, including individuals eligible for Medi-Cal and individuals eligible for county health and mental health services.

NOTE: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7114. ELIGIBILITY.

(a) The following entities are eligible to apply for a Grant under the Investment in Mental Health Wellness Grant Program:

(1) A county.

(2) Counties Applying Jointly.

(3) A private nonprofit corporation or public agency designated by a county or Counties Applying Jointly to be a co-Applicant with the county or Counties Applying Jointly.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7115. ELIGIBLE PROJECT COSTS.

(a) Eligible costs for Capital Funding are:

(1) Purchase of real property.

(2) Construction or renovation, including costs of Project planning or Project management, appraisals, inspections, and pre-construction costs such as permit fees, surveying, architectural, and engineering fees.

(3) Furnishings or equipment, including the purchase of vehicles for Mobile Crisis Support Teams and maintenance contracts for the vehicles for up to two years.

(4) Information technology hardware and software, not to exceed 1% of total Project costs except when approved by the Authority and only upon submission of justification that the additional information technology costs are necessary for the Project to achieve the desired goals and outcomes set forth in Section 7119.

(5) Up to three months of Program startup or expansion costs consisting of lease payments, utilities, repairs or maintenance of facilities, personnel costs, moving expenses, cleaning supplies or supplies for offices, kitchens and bathrooms. Supplies do not include foods, beverages or medications.

(b) Eligible costs for Personnel Funding are employee salaries and benefits specific to staff the new vehicles funded by a Grant for the Mobile Crisis Support Team(s). Salaries and benefits shall be consistent with the compensation policies of the employer.

(c) Grant funds shall be used only for reasonable costs directly related to and essential for the completion of the Project.

(d) Eligible costs include only those incurred during the Grant Period.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7116. GRANT APPLICATION.

(a) Entities that meet the eligibility requirements of Section 7114 may apply for a Grant.

(b) Applications with multiple Applicants shall designate one of the Applicants as Lead Grantee should a Grant be awarded.

(c) If a Project with the same Applicants includes multiple Programs, only a single Application is required.

(d) Application forms shall be available on the Authority's website at www.treasurer.ca.gov/chffa and at the Authority's Office located at 915 Capitol Mall, Room 590, Sacramento, California 95814 and will be referred to as the Investment in Mental Health Wellness Grant Program Application Form No. CHFFA 7 MH-01 (Rev.05/2015).

(1) An original and two copies of the Application shall be received no later than 5:00 p.m. Pacific Time on the deadline date posted on the Authority's website at www.treasurer.ca.gov/chffa and may be sent to:

California Health Facilities Financing

Authority 915 Capitol Mall, Room 590

Sacramento, California 95814

or the Application may be emailed as a Portable Document Format (PDF) attachment to chffa@treasurer.ca.gov. The Authority is not responsible for email transmittal delays or failures of any kind.

(2) Incomplete Applications and Applications received by the Authority after the deadline date and time of the funding round shall not be accepted for review in that funding round.

(3) Applications shall be considered final as of the deadline date and time. No additional information or documents shall be accepted by the Authority after that date, except as specifically requested by the Authority.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7117. FUNDING ROUNDS AND APPLICATION DEADLINES.

(a) The deadline for the First Funding Round shall be the first working day following the 60th day after the date regulations are filed with the Secretary of State.

(b) Subsequent Funding Rounds: If funds are available, the deadline for Subsequent Funding Rounds shall be posted on the Authority's website at www.treasurer.ca.gov/chffa.

(c) Notices of deadlines will be posted on the Authority's website and sent to the Authority's listserv to which anyone may subscribe at www.treasurer.ca.gov.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7118. MAXIMUM GRANT AMOUNTS.

(a) Until January 1, 2016, the Authority shall award Capital Funding totaling no more than

the

following maximums per region:

(1)	Bay Area Region	\$26,000,000
(2)	Central Region	\$25,000,000
(3)	Los Angeles Region	\$40,000,000
(4)	Southern Region	\$45,000,000
(5)	Superior Region	\$6,500,000

(b) Until June 30, 2015, Applicants may apply for Capital Funding totaling no more than the following maximum Grant amounts per county, according to the most recent population projection by the California Department of Finance at the time the Application is submitted:

	County Population	Maximum
(1)	100,000 or less	\$500,000
(2)	Between 100,001 and 400,000	\$1,000,000
(3)	Between 400,001 and 600,000	\$2,000,000
(4)	Between 600,001 and 1,100,000	\$4,000,000
(5)	Between 1,100,001 and 2,500,000	\$7,000,000
(6)	Between 2,500,001 and 9,000,000	\$11,000,000

(c) Until January 1, 2016, Applicants may apply for Personnel Funding totaling no more than the following maximums per region:

(1)	Bay Area Region	\$1,240,000
(2)	Central Region	\$1,193,000
(3)	Los Angeles Region	\$1,909,000
(4)	Southern Region	\$2,147,000
(5)	Superior Region	\$311,000

(d) Subdivision (b) does not apply to the County of Los Angeles.

(e) Counties Applying Jointly may, at their discretion, apply for up to the sum of their respective maximum Capital Funding and Personnel Funding amounts.

(f) If funds for Capital Funding remain after Final Allocations have been awarded for Applications submitted by June 30, 2015, Applications may be submitted without regard to previous maximum Grant amounts per county.

(g) If funds for Capital Funding remain after Final Allocations have been awarded for Applications submitted by January 1, 2016, Applications may be submitted without regard to previous maximum Grant amounts per region, and Grant awards for Capital Funding shall be made on a statewide competitive basis.

(h) If funds for Personnel Funding remain after Final Allocations have been awarded for Applications submitted by January 1, 2016, Applications may be submitted without regard to previous maximum Grant amounts per region, and Grant awards for Personnel Funding shall be made on a statewide competitive basis.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7119. EVALUATION CRITERIA.

(a) Applications shall be scored on the following criteria:

(1) PROJECT EXPANDS ACCESS TO AND CAPACITY FOR COMMUNITY BASED MENTAL HEALTH CRISIS SERVICES THAT OFFER RELEVANT ALTERNATIVES TO HOSPITALIZATION AND INCARCERATION. (MAXIMUM 30 POINTS)

(A) Project proposes new or expanded Crisis Stabilization, Crisis Residential Treatment and/or Mobile Crisis Support Team Programs to be funded by the Grant, describes the services within the Programs, and clearly identifies the Target Population(s) to be served. (Maximum 5 points)

(B) Project meets the community need existing within the current continuum, seeks to address who does and does not receive services now, and is designed to address the weaknesses of the current system and build on its strengths. (Maximum 3 points)

(C) Project increases capacity for community based mental health crisis services. The Application shall identify the number of Crisis Stabilization and Crisis Residential Treatment beds that will be added and how the number added impacts the Target Population(s) and translates into a number of additional individuals that can be served in the community. (Maximum 7 points)

(D) Project expands and improves timely access to community based mental health crisis services. The Application shall address how access is expanded and improved for the community. Examples include extending hours of existing services; adding locations where services can be accessed by consumers and their family members; undertaking efforts to timely connect consumers to crisis services from other venues like hospitals; engaging in new outreach to families and consumers so they know new or expanded services are available; and addressing cultural, language, and other barriers unique to the community. (Maximum 7 points)

(E) Project is qualitatively different than crisis services delivered in an institutional setting (such as a hospital emergency room, an in-patient hospital setting or a law enforcement vehicle) and clearly describes the proposed staffing, the community setting in which the Programs will be offered and the building or vehicles in which services will be provided. (Maximum 5 points)

(F) Project leverages public and private funding sources to complete the Project. (Maximum 3 points)

(2) APPLICATION DEMONSTRATES A CLEAR PLAN FOR A CONTINUUM OF CARE BEFORE, DURING, AND AFTER CRISIS MENTAL HEALTH INTERVENTION OR TREATMENT AND FOR COLLABORATION AND INTEGRATION WITH OTHER HEALTH SYSTEMS, SOCIAL SERVICES, AND LAW ENFORCEMENT. (MAXIMUM 20 POINTS)

(A) Project fits in with the continuum of care as it presently exists in the community. The Application identifies the shortcomings that exist within the continuum and how the Project will improve the existing continuum of care for individuals utilizing mental health crisis services, including whether Applicant contemplates submitting an application to the Mental Health Oversight and Accountability Commission for triage personnel. (Maximum 8 points)

(B) Application identifies working relationships with Related Supports that already exist and which will be established to enhance and expand community-based collaboration designed to maximize and expedite access to crisis services for the purpose of avoiding unnecessary hospitalization and incarceration and improving wellness for individuals with mental health disorders and their families. For example, an enhancement may include training of local law enforcement, current crisis providers, hospitals and other related providers on how to properly respond to individuals experiencing a mental health crisis. An expansion may include adding a supportive housing provider to the local collaboration for post-crisis residential placements. (Maximum 12 points)

(3) Identifies Key Outcomes and a Plan for Measuring Them. (Maximum 20 points)

(A) Application includes methodology, timeline and assignment of responsibility to measure and demonstrate outcomes of the Project, including the following:

(i) Reduced average disposition time for visits to emergency rooms of local hospitals. (Maximum 2 points)

(ii) Reduced hospital emergency room and psychiatric inpatient utilization. (Maximum 3 points)

(iii) Reduced law enforcement involvement on mental health crisis calls, contacts, custodies and/or transports for assessment. (Maximum 2 points)

(iv) Improvements in participation rates by consumers in outpatient mental health services, and case management services, and more placements by outreach workers. (Maximum 2 points)

(v) Consumers' and/or their family members' (when appropriate) satisfaction with the crisis services the consumer received. (Maximum 2 points)

(vi) Number of Crisis Residential Treatment and Crisis Stabilization beds and Mobile Crisis Support Team personnel and vehicles added. (Maximum 2 points)

(vii) Whether the Target Population is being served and other individuals who may be being served. (Maximum 2 points)

(viii) The value of the Program(s), such as mitigation of costs to the county, law enforcement, or hospitals. An example of such value is: The utilization of Crisis Residential Treatment costs "X" dollars and utilization of inpatient hospitalization would have cost "X" dollars, therefore value approximates "X" dollars. (Maximum 3 points)

(ix) The percent of individuals who receive a crisis service who, within 15 days, and within 30 days, return for crisis services at a hospital emergency department, psychiatric hospital or jail. (Maximum 2 points)

(4) PROJECT IS FEASIBLE, SUSTAINABLE, AND READY OR WILL BE FEASIBLE, SUSTAINABLE AND READY WITHIN NINE MONTHS OF THE FINAL ALLOCATION. (MAXIMUM 30 POINTS)

(A) Project timeline is clear and includes details of the following: (Maximum 7 points

)

(i) Key milestones in the future and completed to date, including projected or actual Project start date (such as date of purchase, renovation or lease) and end date (such as date of occupancy).

(ii) A description of the status of use permits, licensure and/or other approval processes.

(iii) Staffing status.

(iv) Projected date services will begin to be provided to consumers.

(v) A narrative description of processes that may affect the timeline to start providing services, such as site identification and acquisition, contracting, local use permit process, California Environmental Quality Act process, licensure and certification.

(vi) A narrative description identifying potential challenges and how those challenges will be mitigated.

(B) Project has sufficient funding sources or has a plan for getting them, and proposed uses of funding are acceptable and the following are included: (Maximum 10 points)

(i) The amount of funding from funding sources, other than the Grant, including the amount of funding and the current status of the funding.

(ii) The proposed uses of funds includes a budget for startup costs

(not to exceed three months), if applicable. The total uses shall not exceed the total of all available funding sources.

(iii) A description of how the Grant funds, as well as other grants, loans, or internal funds, will be used to ensure Grant funds will not be used for ineligible costs as described in Section 7115.

(C) Lead Grantee is creditworthy and has satisfactory financial capacity as indicated in its most recent local government credit rating or three most recent years of Audited Financial Statements which may not contain a Going Concern Qualification. (Maximum 5 points)

(D) Application includes a budget that details annual projected operating costs and a description of new Program funding sources with amounts and cash flow projections and/or how existing funding will be redirected to provide on-going support for new and expanded services, including documentation such as funding letters, minutes from the Board of Supervisors meeting evidencing approval of the budget, or other documentation acceptable to the Authority. (Maximum 3 points)

(E) A qualified service provider has been identified or a plan is in place for identifying one and the following are addressed: (Maximum 5 points)

(i) If a service provider that will operate Program(s) has already been identified, written plans and policies in place for the care that will be provided shall be described. These include statement of admission and discharge criteria; psychiatric policies and practices; description of range of services offered; and information about the service provider including expertise in mental health care, purpose, goals, and services of the organization.

(ii) A service provider already licensed by the California Department of Social Services shall be in Substantial Compliance as defined in Section 80001 of Title 22 of the California Code of Regulations.

(iii) If a service provider has not been identified, the process, criteria for selection and timeline for identification are clear.

(F) For proposed Crisis Stabilization or Crisis Residential Treatment Programs, Application demonstrates certainty of Medi-Cal certification, and for proposed Crisis Residential Treatment Programs, Application demonstrates certainty of state licensure. (Required, but no points awarded)

(i) Includes discussion of how service provider will cooperate and comply with Community Residential Treatment Services Program certification process and any related certification process for any Crisis Stabilization Program proposed.

(ii) For proposed Crisis Residential Treatment Programs, includes confirmation that structured day and evening services will be available seven days a week, and services will include individual and group counseling; crisis intervention; planned activities; counseling, with available members of the consumer's family, when indicated in the consumer's treatment or rehabilitation plan; the development of community support systems for consumers to maximize their utilization of non-mental health community

resources; pre-vocational or vocational counseling; consumer advocacy, including assisting consumers to develop their own advocacy skills; an activity program that encourages socialization within the program and general

community, and which links the consumer to resources which are available after leaving the program; and use of the residential environment to assist consumers in the acquisition, testing, or refinement of community living and interpersonal skills.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.

Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7120. INITIAL ALLOCATION.

- (a) Authority Staff will evaluate the Application's completeness, responsiveness, and clarity in addressing the criteria described in Section 7119.
- (b) The scores from each reviewer of the Authority Staff will be added and the average of the scores will be calculated. The average score will be the final score assigned to the Application.
- (c) The Authority Staff will make Initial Allocations based on the final score assigned to each Application, and present the Initial Allocations to the Authority for Final Allocations.
- (d) Notification of Initial Allocations will be sent to Applicants before the public meeting at which the Authority will determine Final Allocations.
- (e) During any funding round, Initial Allocations shall be limited to Applications which receive a minimum of 70 points under Section 7119.
 - (1) Applications shall score a minimum of 24 points under Section 7119, subdivision (a)(4) to be considered for an Initial Allocation.
 - (2) Applications receiving a score of zero points in any criteria in Section 7119, subdivision (a)(1) or (a)(2) shall not be considered for an Initial Allocation.
- (f) Following Initial Allocations made pursuant to subsection (e), Initial Allocations may be considered for Applications scoring less than 70 points to achieve the statewide objectives of a minimum of 2,000 Crisis Stabilization and Crisis Residential Treatment beds and 25 Mobile Crisis Support Teams.
- (g) Initial Allocations may be less than the amount requested in the Application to fund more Grants, control Project costs, or achieve the statewide objective of a minimum of 2,000 new Crisis Stabilization and Crisis Residential Treatment beds and 25 new Mobile Crisis Support Teams.

**Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.**

SECTION 7121. APPEALS.

(a) Availability.

(1) The Applicant designated as Lead Grantee on an Application may, on behalf of all Applicants listed on an Application, appeal the amount of the Initial Allocation recommended by Authority Staff for that Application, including an Authority Staff determination not to recommend a Grant. No Applicant may appeal an Initial Allocation made to another Applicant.

(b) Timing.

(1) The appeal shall be submitted to the Executive Director no later than five calendar days following the date of the notification of Initial Allocation.

(2) Appeals may be submitted to the Executive Director by email, mail or delivery to:

California Health Facilities Financing
Authority 915 Capitol Mall, Room 590
Sacramento, California 95814

Email address: chffa@treasurer.ca.gov

(c) Review.

(1) The Executive Director shall review the appeal based on the Application as originally submitted. Any new or revised Application or additional documentation or information that was not submitted in the Application shall not be considered.

(2) The Executive Director shall make a decision on the merit of the appeal and notify the Applicant of the decision no later than 20 calendar days after receipt of the appeal.

(3) The decision of the Executive Director may be appealed to the Authority, by written notification to the Executive Director within five calendar days of the date of the Executive Director's decision.

(4) The Authority shall make a final decision on an appeal of the Executive Director's decision at a public meeting.

(d) Successful appeals.

(1) An Initial Allocation to an Applicant based on the appeal may result in a reduction or elimination of Initial Allocations to other Applicants that would have

otherwise received an Initial Allocation.

(2) Adjustments to any Initial Allocations following any appeals may not be appealed. Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions

Code. Reference:

Section 5848.5, Welfare and Institutions Code.

SECTION 7122. FINAL ALLOCATION.

- (a) Final Allocations shall be determined by the Authority at a public meeting.
- (b) A Grant Award Letter that includes the following shall be sent to all Applicants approved for a Final Allocation:
 - (1) Name(s) of the Grantee.
 - (2) Grant amount.
 - (3) The Grant Period.
 - (4) A description of the costs to be funded by the Grant.
 - (5) A request for a resolution of the governing board authorizing an official to accept the Grant and all responsibilities flowing therefrom.
 - (6) Notification that the funds for a Grant under the Investment in Mental Health Wellness Act of 2013 are subject to availability of funds.
 - (7) A statement that the Authority reserves the right to modify or cancel the commitment upon failure of the Applicant to execute a Grant Agreement or otherwise fail to comply with this Article or if the Authority becomes aware of any matter which, if known at the time of Application review and approval, would have resulted in the rejection of the Application or the Grant not being approved.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7123. USE OF THE GRANT.

- (a) Grant funds shall only be used for the purposes described in the Grant Agreement.
- (b) Grant funds may supplement but not supplant existing financial or resource commitments.
- (c) Grantee may request a change in the use of Grant funds or request an extension of the Grant Period by submitting a written request to the Authority that documents the reason(s) the change is needed and demonstrates it is consistent with the Investment in Mental Health Wellness Act of 2013 and this Chapter.
- (d) Grantee shall not make changes to the uses of Grant funds until receipt of written approval from the Authority.
- (e) Grantee shall not dispose of any capital asset acquired by Grant funds before the end

of the useful life of the asset.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.

Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7124. GRANT AGREEMENT.

(a) The terms and conditions of a Grant shall be set forth in a Grant Agreement which shall include, at a minimum, all of the following:

(1) The Grant amount.

(2) A description of the Project.

(3) Release of Grant Funds procedures in accordance with Section 7125, as applicable.

(4) Agreement that the Grantee shall comply with the Investment in Mental Health Wellness Act of 2013 and this Chapter, including, but not limited to, Section 7123.

(5) The Grantee shall defend, indemnify and hold harmless the Authority and the State of California, and all officers, trustees, agents and employees of the same, from and against any and all claims, losses, costs, damages or liabilities of any kind or nature, whether direct or indirect, arising from or relating to the Grant or Project.

(6) The Grantee shall comply with state and federal laws prohibiting discrimination, including those prohibiting discrimination because of sex, race, color, ancestry, religion, creed, national origin, physical disability (including HIV and AIDS) mental disability, medical condition (including cancer or genetic characteristics), sexual orientation, political affiliation, position in a labor dispute, age, marital status and denial of statutorily-required, employment-related leave.

(7) Grantee shall comply with California's prevailing wage law under Labor Code Section 1720 et seq. for public works projects.

(8) Grantee shall cooperate in inspections and audits.

(9) Notification that subject to the availability of funds, the Grant may be rescinded or reduced.

(10) Provisions relating to lease agreements, if applicable, pursuant to Section 7126.

(11) Resolution of the Authority authorizing the Grant.

(12) Resolution of the Grantee's governing board accepting the Grant and delegating authority to an officer to act on its behalf.

(13) Provision regarding default and its remedies, including forfeiture and return of the Grant funds to the Authority.

(14) Provision requiring Grantee to provide updated information upon request from Authority Staff to determine the Project's readiness and feasibility.

(15) Other terms and conditions that may be required by the Authority related to the Grant or Project.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code

SECTION 7125. RELEASE OF GRANT FUNDS.

(a) Grant funds shall not be released until the following requirements have been met:

(1) A Grant Agreement has been executed by the Authority and Grantee.

(2) The Grantee has submitted to the Authority the following documentation, if available. If not available, Grantee has submitted a detailed statement concerning the status of obtaining any or all of this documentation to enable Authority Staff to determine readiness and feasibility.

(A) For construction or renovation.

(i) Detail of building plans, costs, and timelines.

(ii) Executed construction contract.

(iii) Architect, design and engineering contracts, if applicable.

(iv) Building permits and conditional use permits, if applicable.

(v) Evidence of compliance with the California Environmental Quality Act.

(vi) Evidence of compliance with prevailing wage law under Labor Code Section 1720 et. seq.

(vii) Evidence of property ownership, such as a grant deed or lease agreement and title report as required under Section 7126.

(viii) In addition to subdivisions (a)(2)(A)(i-vii), prior to the release of Grant funds to a private nonprofit corporation or public agency designated by a county or Counties Applying Jointly for construction or renovation on real property acquired with Grant funds by the designated private nonprofit corporation or public agency, the designated private nonprofit corporation or public agency shall execute a Grant Agreement and agree to comply with Section

7125.1. The Lead Grantee may request the Authority to release the Grant funds to the

designated private nonprofit corporation or public agency or to the Lead Grantee for

disbursement to the designated private nonprofit corporation or public agency. The

designated private nonprofit corporation or public agency shall return the Grant funds to the Authority if the designated private nonprofit corporation or public agency fails to comply with Section 7125.1.

(B) For real property acquisitions:

(i) An appraisal completed within the previous six months by a state appraiser. certified

(ii) In addition to subdivision (a)(2)(B)(i), prior to the release of Grant funds to a private nonprofit corporation or public agency designated by a county or Counties Applying Jointly to acquire real property, the designated private nonprofit corporation or public agency shall execute a Grant Agreement and agree to comply with Section 7125.1. The Lead Grantee may request the Authority to release the Grant funds to the designated private nonprofit corporation or public agency, or to the Lead Grantee for disbursement to the designated private nonprofit corporation or public agency. The designated private nonprofit corporation or public agency shall return the Grant funds to the Authority if the designated private nonprofit corporation or public agency fails to comply with Section 7125.1.

(C) For acquisition of supplies, furniture and equipment including vehicles: A list of items to be purchased and a copy of related purchase orders.

(D) For personnel costs:

(i) Staffing plan, including number of full time equivalent staff.

(ii) Job description or duty statement for each position, including minimum qualifications and any licensing or certification preferred or required.

(iii) Documentation of salary or hourly wage rate, if applicable.

(iv) Documentation of employer's contribution of benefits.

(v) Documentation that confirms salaries and benefits to be paid are consistent with the Applicant's compensation policies.

(E) For other eligible costs: Contracts and/or purchase orders.

(3) The Authority Staff has determined the Project is ready and feasible.

(A) The determination that the Project is ready and feasible may occur at the time of Initial Allocation or within nine months following Final Allocation.

(B) If the determination is made after Final Allocation, the determination shall be based on updated information provided to the Authority by Grantee in accordance with Section 7124(a)(14).

(C) Limited extensions beyond nine months as set forth in subdivision (3)(A) shall be made on a case-by-case basis at the discretion of the Executive Director for good cause, such as reasonable delays associated with obtaining building and conditional use permits, obtaining California Environmental Quality Act compliance documentation, or identifying a qualified provider.

(D) Failure to demonstrate readiness and feasibility within the timeframes dictated by the Authority shall cancel the Grant and the Grant funds shall be made available to other Applicants.

(4) The Grantee has submitted to the Authority a completed Request for Disbursement

Form No. CHFFA 7 MH-02 (Rev.06/2014). Except for the initial submission of the Request
for

Disbursement Form No. CHFFA 7 MH-02 (Rev.06/2014), a status report and Actual Expenditures Report Form No. CHFFA 7 MH-03, (Rev.06/2014) as required by Section 7128, subdivisions (a)(1) and (a)(2) shall accompany all Requests for Disbursement Form No. CHFFA 7 MH-02 (Rev.06/2014).

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7125.1. GRANT FUNDS TO A DESIGNATED PRIVATE NONPROFIT CORPORATION OR PUBLIC AGENCY FOR REAL PROPERTY ACQUISITION, CONSTRUCTION OR RENOVATION.

(a) The Authority may, at its discretion, give consideration to a private nonprofit corporation or public agency in an area or region of the state if a county, or Counties Applying Jointly, affirmatively supports this designation and collaboration in lieu of a county directly receiving Grant funds for real property acquisition or for construction or renovation on real property acquired with Grant funds by the designated private nonprofit corporation or public agency. The designated private nonprofit corporation or public agency shall comply with all of the following requirements:

(1) The designated private nonprofit corporation or public agency shall provide the Program(s) services.

(2) The designated private nonprofit corporation or public agency shall execute a Grant Agreement that:

(A) Complies with the provisions contained in Section 7124.

(B) Provides that in the event the designated private nonprofit corporation or public agency fails to provide Crisis Residential Treatment or Crisis Stabilization services as provided in the Grant Agreement, title to the real property shall be given to the county or Counties Applying Jointly.

(i) In the event the county or Counties Applying Jointly do not take and hold title to the real property when the designated private nonprofit corporation or public agency fails to provide Crisis Residential Treatment or Crisis Stabilization services as provided in the Grant Agreement, the Authority may take any action necessary to take and hold title to the real property.

(3) The designated private nonprofit corporation shall provide, upon request,

Audited Financial Statements and shall retain all Project and financial records necessary to substantiate the purposes for which the Grant funds were spent for a period of three years after the certification of Project completion has been submitted.

(4) The designated private nonprofit corporation or public agency shall provide, upon request, a current title report that shows all of the following:

(A) No easements, exceptions or restrictions on the use of the site that shall interfere with or impair the operation of the Project.

(B) A fee title subject to the lease agreement described in subdivision (a)(5).

(C) A deed of trust recorded in the chain of title against the real property that contains the lease agreement described in subdivision (a)(5).

(5) The designated private nonprofit corporation or public agency shall enter into a lease agreement with the county or Counties Applying Jointly for use of the real property for Crisis Residential Treatment or Crisis Stabilization for the useful life of the Project, including any renewals. The lease agreement shall provide that:

(A) In the event the designated private nonprofit corporation or public agency fails to provide Crisis Residential Treatment or Crisis Stabilization services as provided in the Grant Agreement, title to the real property shall be given to the county or Counties Applying Jointly.

(i) In the event the county or Counties Applying Jointly do not take and hold title to the real property when the designated private nonprofit corporation or public agency fails to provide Crisis Residential Treatment or Crisis Stabilization as provided in the Grant Agreement, the Authority may take any action necessary to take and hold title to the real property.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code

SECTION 7126. REQUIREMENTS FOR CONSTRUCTION PROJECTS ON LEASED PROPERTY

(a) A Grantee may use Grant funds for construction or renovation on property that is leased to the Grantee. The following requirements shall be satisfied prior to release of Grant funds:

(1) The lease agreement shall provide the Grantee, as lessee, full access to the site to carry out the Project.

(2) The term of the lease agreement shall be at least as long as the useful life of the Project.

(3) The lease agreement shall provide that any existing or subsequent encumbrance on the property (e.g. deed of trust) or sale of the property shall be subject to the lease agreement.

(4) The lease agreement shall provide that the only remedy for any default by

Grantee, including failure to pay rent, is suit for rent or specific performance to remedy specific breach. The landlord's remedies for any default by Grantee may not include cancellation of lease agreement, retaking of property or eviction of Grantee.

(5) A current title report on the site, brought up to date as of the effective date of the lease agreement shall be provided to the Authority. The title report shall show all of the following:

(A) No delinquent taxes or assessments or, if there are delinquent taxes or assessments, these are being contested in good faith.

(B) No easements, exceptions or restrictions on the use of the site that shall interfere with or impair the operation of the Project.

(C) A restrictive covenant recorded in the chain of title that the property shall be used only for Crisis Residential Treatment or Crisis Stabilization during the useful life of the leasehold improvements funded by the Grant.

(D) Fee title is subject to the lease agreement and recorded in the chain of title.

(b) If the lease agreement terminates prior to the end of the useful life of the Project and the property that was subject to the lease agreement is not simultaneously released under a new lease agreement that complies with the requirements of this Section or fee title to the property that was subject to the lease agreement is not simultaneously transferred to the Grantee, the Authority is entitled to recover the Grant funds.

(c) When a Project on leased property includes improvements to any common areas that are shared with other tenants or areas that are not leased by the Grantee, the Grant funds shall be limited only to the proportionate costs of the Project which exclude the costs related to such areas.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7127. RECOVERY OF FUNDS FOR NON-PERFORMANCE AND UNUSED GRANT FUNDS; REMEDIES.

(a) If the Authority determines that Grant funds were not used consistent with the Investment in Mental Health Wellness Act of 2013, this Chapter or the Grant Agreement, the Authority may require remedies, including the forfeiture and return of the Grant funds to the Authority.

(b) If the Grantee fails to timely begin or complete the Project, the Authority may require remedies including forfeiture and return of the Grant funds to the Authority.

(c) Unused funds and any unused investment earnings on such Grant funds shall be returned by the Grantee to the Authority no later than the date of the certification of Project completion.

(d) In the event the county or Counties Applying Jointly do not take and hold title to the real property as provided in Section 7125.1, the Authority may take any action necessary to take and hold title to the real property.

**Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.**

SECTION 7128. REPORTING REQUIREMENTS.

(a) The Grantee shall submit a status report and a completed Actual Expenditures Report Form No. CHFFA 7 MH-03 (Rev.06/2014) within 45 days following the completion of the periods ending on June 30 and December 31 of each year during the Grant Period, pursuant to Section 7125, subdivision (a)(4), and upon the Authority's request.

(1) Status reports to the Authority shall include:

(i) A description of activities performed for the Project and activities related to Project operations, including population served, if applicable, since the date of the preceding status report or initial Request for Disbursement Form No. CHFFA 7 MH-02 (Rev.06/2014), as applicable.

(ii) A summary of incurred costs and expenditures related to the Project consistent with cost information submitted in the Application and an explanation of any variances from the Application.

(iii) A summary of data or preliminary evaluation results, available to date, related to all outcomes described in Section 7119, subdivision (a)(3) and a description of any challenges in obtaining relevant data.

(iv) A summary of other funding sources utilized for the Project.

(v) A description of remaining work to be completed for the Project and an estimated timeline or schedule for the completion of that work.

(vi) A description of whether the Project is within the proposed budget and, if not, the reasons for any differences and the actions that will be taken to ensure that the Project has sufficient funding for completion.

(2) The Actual Expenditures Report Form No. CHFFA 7 MH-03 (Rev.06/2014) shall be accompanied by evidence of payment and documentation acceptable to the Authority sufficient to establish eligibility of costs incurred and expenditure of Grant funds such as executed purchase and sale agreement, proof of title, cancelled checks, proof of wire transfers, receipts and time sheets.

(b) Grantee shall submit a completed Certificate of Completion and Final Report Form No. CHFFA 7 MH-04 (Rev.06/2014) and the following documentation, as applicable, within 60 days of Project completion:

(1) For all Projects:

(A) License and certification of Program(s) if applicable.

(B) Summary of sources and uses of funds that show that the Grant and any investment earnings on Grant funds did not exceed the cost of the Project.

(C) Project's outcomes described in Section 7119 subdivision (a)(3) and key milestones and accomplishments .

(2) For Projects that include real property acquisition: Final closing statement with certification by the title company.

(3) For Projects that include building construction or renovation: Certificate of occupancy.

(4) For Projects that include vehicle acquisition: Executed sales agreement or title.

(c) After submission of the Certificate of Completion and Final Report, Grantees shall submit annual reports to the Authority through June 30, 2016 to report on Project key milestones, accomplishments, and outcomes, including a discussion of the populations being served. This report shall be certified by an authorized officer of the Grantee. Authority Staff may request annual reports after June 30, 2016 to continue tracking accomplishments, outcomes and populations served.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code. Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7129. RECORDS RETENTION, INSPECTIONS AND AUDITS.

(a) Grantees shall retain all Project and financial records necessary to substantiate the purposes for which the Grant funds were spent for a period of three years after the certification of Project completion has been submitted.

(b) Co-Applicants that are a private nonprofit corporation shall provide, upon request, Audited Financial Statements to Authority Staff.

(c) Authority may perform site visits to inspect the Project during the Grant Period and may inspect and/or audit Project records during the Grant Period and for three years after the certification of Project completion has been submitted.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code. Reference: Section 5848.5, Welfare and Institutions Code.

Exhibit G

The Restrictive Covenant

(Attach Executed Copy)

EXHIBIT B-1: LABOR COMPLIANCE PROVISIONS

THE FOLLOWING PROVISIONS SHALL GOVERN LABOR COMPLIANCE FOR THE TENANT IMPROVEMENT WORK DESCRIBED IN EXHIBITS A AND B (“TENANT IMPROVEMENT WORK”):

- 1) **PREVAILING WAGE:** All workers performing Tenant Improvement Work in accordance with this Lease shall be paid by Lessor’s contractor at the prevailing wage rates set by the Department of Industrial Relations, and Lessor and its contractor shall comply with the associated requirements of Chapter 1, Part 7 of Division 2 of the Labor Code. Lessor shall indicate this requirement in any solicitation for a general contractor, along with the associated requirements of certified payroll and the hiring of apprentices, and make these requirements enforceable provisions of any construction contract with its general contractor, and between its general contractor and subcontractors, if any.
- 2) **PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT:** The Tenant Improvement Work performed pursuant to this Lease is subject to the requirements of the "PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT for the COUNTY OF ALAMEDA" (“PSCBA”), attached hereto as Exhibit B-4. The Lessor agrees to be party to and bound by the "PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT for the COUNTY OF ALAMEDA". Lessor agrees to execute the "PROJECT STABILIZATION/ COMMUNITY BENEFITS AGREEMENT for the COUNTY OF ALAMEDA Letter of Assent” and shall require its general contractor, and all of its subcontractors, of whatever tier, to become similarly bound for all Tenant Improvement Work by signing an identical Letter of Assent.

A. ROLES AND RESPONSIBILITIES SUBCONTRACTS

- i. Each of Lessor, its general contractor, which includes all subcontractors of any tier, including trucking entities performing Tenant Improvement Work, agrees that neither it nor its general contractor nor any of its subcontractors will subcontract any Tenant Improvement Work except to a person, firm, or corporation who is or becomes party to the PSCBA by signing the Letter of Assent attached as Exhibit B-2. All Contractors performing Tenant Improvement Work shall, as a condition to performing Tenant Improvement Work, become Signatory to and perform all work under the terms of the PSCBA.
- ii. Each of Lessor, and its general contractor, which includes all subcontractors of any tier performing Tenant Improvement Work, shall give written notice to the Union(s) of any subcontract involving the performance of work covered by the PSCBA within either five (5) business days of executing a contract with such subcontract or before the subcontractor commences work on the Tenant Improvements, whichever occurs first. Such notice shall specify the name and address of the subcontractor, the California State License Board license number of the contractors and scope of work to be performed. Written notice at a Pre-Job Conference shall be deemed written notice under this provision only for those subcontractors listed at the Pre-Job Conference
- iii. The Lessor shall be responsible for PSCBA compliance by its general contractor and all subcontractors and lower tier subcontractors, and shall include a provision in Lessor’s contract with its general contractor making the general contractor responsible for PSCBA compliance by its general contractor and all subcontractors and lower tier subcontractors.

- B. **WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES:** Lessor shall insert in its contract with its general contractor performing the Tenant Improvement work the following requirements:

- i. The assignment of the Tenant Improvement work to subcontractors is solely the responsibility of the general contractor.
 - ii. Each of the general contractor and all subcontractors of any tier shall conduct a Pre-Job Conference with the Building and Construction Trades Council of Alameda County (Council) prior to commencing Tenant Improvement work as specified in Paragraph 2(C). The general contractor will notify the County in advance of all such conferences.
 - iii. Any jurisdictional disputes regarding the assignment of the Tenant Improvement Work will be resolved per the requirements of the PSCBA.
- C. PRE-JOB CONFERENCE: Lessor shall insert in its contract with its general contractor performing the Tenant Improvement work the following requirements:
- i. A mandatory Pre-Job Conference and/or Mark-Up Meeting will be held prior to the commencement of work to establish the scope of work in each contractor and subcontractor contract. All meeting shall be held at the offices of the Alameda County Building and Construction Trades Council.
 - ii. The general contractor performing the work shall have the responsibility for making work assignments in accordance with the PSCBA, and will be required to bring relevant plans, specifications, and blueprints to the meeting, as requested by the Union.
 - iii. The general contractor must submit written workforce projections at the Pre-Job Conference. The workforce projections shall include projected man-hours on a craft-by-craft basis, consistent with the general contractor's bid proposal.
 - iv. The County (via GSA-OAP and GSA-PSCBA Mgr) will schedule and attend all Pre-Job and Mark-Up Meetings and participate in discussions as they pertain to the terms and conditions of the PSCBA.
- D. JOINT ADMINISTRATIVE COMMITTEE MEETINGS
- i. The Joint Administrative Committee (JAC) has been established (per Article 8.1 of the PSCBA) to monitor compliance with the PSCBA. The JAC meets monthly and reviews monthly reporting by the general contractor.
 - ii. The Lessor shall require in its contract with its general contractor that the general contractor provide progress report as described in Paragraph 2(H).
- E. COORDINATOR: The County will designate a Coordinator (currently DSI), who will be responsible for the administration and application of the PSCBA. The Coordinator's work will require weekly site visits and random in-person worker interviews. The Lessor hereby permits the Coordinator to conduct the weekly site visits and random in-person worker interviews, and will insert in its contract with its general contractor a provision requiring the same. The Coordinator will conduct its site visits and in-person worker interviews in a manner that does not disrupt or delay construction, announce his or her arrival to the foreperson on site, and will obey all safety instructions.
- F. LOCAL HIRING PROGRAM: Lessor shall insert in its contract with its general contractor performing the Tenant Improvement Work the following requirements:
- i. The general contractor agrees to achieve the inclusion of Residents as defined in the PSCBA in the employment and apprenticeship opportunities created by the Tenant Improvement Work, which will be known as the Local Hiring Program (LHP) as described in the PSCBA.
 - ii. The general contractor agrees to a goal that Residents of the County will perform forty percent (40%) of all hours worked on the Tenant Improvement Work, on a craft-by-craft basis, if such workers are available, capable and willing to work on the projects, together with the apprentice goals described in Paragraph 2G of this Document.

- iii. The general contractor and subcontractors shall make good faith efforts to reach these goals, as described in the PSCBA including but not limited to the following:
 - a) Within one week of the issuance of the Notice to Proceed, or similar such document directing the general contractor to commence construction, the general contractor shall meet with the County (GSA-PSCBA Mgr.) and Lessor to review and approve its compliance plan for reaching the Local Hiring Goals, using the required compliance plan form provided by the County (see attached).
 - b) Submit copies of hiring hall dispatch requests and responses to the County (GSA-PSCBA Mgr) within ten (10) days of County's request at any point during the execution of the Tenant Improvement Work.
 - c) Immediately contact the County (GSA-PSCBA Mgr) if a union hiring hall dispatcher will not or cannot, upon request of the general contractor, dispatch local residents.
 - d) Use the "Name Call," "Rehire" or other available hiring hall procedures to reach goals and shall provide documentation of such requests to the County (GSA-PSCBA Mgr) upon request.
 - e) Use community based organizations as a resource for local labor resources, if a union will not or cannot provide local Residents as requested.
 - f) Sponsor local Residents for apprenticeship, when possible.
 - g) Maintain records for each Resident of Alameda County who was referred but not hired along with an explanation why the worker was not hired.
 - h) Document participation in any local employment training programs and submit documentation of such to the County (GSA-PSCBA Mgr) within ten (10) days if requested by County.
 - i) For the purpose of reaching the goal established in Paragraph 2(F)(iii)(a), a general contractor may qualify for full credit toward the goal by employing Alameda County Residents for other work the Contractor is performing in any of the nine Bay Area counties of: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Marin, Solano, Napa and Sonoma as outlined in the PSCBA.

G. APPRENTICES: Lessor shall insert in its contract with its general contractor performing the Tenant Improvement Work the following requirements:

- i. Although the PSCBA states that the County shall make available to the Unions a database of apprentices qualifying under the local hiring provision of the PSCBA, the County has not developed this database. The general contractor is to contact the Unions for available apprentices.

For the Tenant Improvement Work, the general contractor will be responsible to ensure that it and/or its subcontractors hire at least one (1) new apprentice for the first \$1 million of construction value and for each succeeding \$5 million of construction contract value, the general contractor and/or its subcontractors will be required to hire at least one (1) additional new apprentice. All such apprentices may be graduates of pre apprenticeship programs with known and successful track record of apprentice placement into jobs. All the pre apprenticeship program graduates must be Residents of Alameda County and members of a Disadvantaged Population, as described in the PSCBA.

- ii. The general contractor shall exercise their best efforts to recruit apprenticeship program applicants from Residents and who are members of a Disadvantaged Population as described in the PSCBA

- iii. The general contractor shall request dispatch of apprentices in writing from the local Unions and/or Joint Apprenticeship Training Committee in which the general contractor participates. Copies of the written requests shall be provided to the County within ten (10) days of request by the Coordinator.
- iv. For the purposes of meeting the goal established in Paragraph 2(F)(iii)(a) of this Exhibit, the general contractor may qualify for full credit toward the goal by employing Alameda County Residents as apprentices for other work the Contractor is performing in any of the nine Bay Area counties of: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Marin, Solano, Napa and Sonoma as described in the PSCBA

H. DATA COLLECTION AND REPORTING

- i. This Paragraph describes Contractor and data collection, reporting guidelines and responsibilities for the PSCBA. Lessor shall insert the requirements of this paragraph in its contract with its general contractor.
 - ii. On a monthly basis, the general contractor must submit reports to the County (via Elation) on the status and progress of local hiring on a craft-by-craft basis, including utilization of apprentices as described in Exhibit B-3, "PSCBA Forms".
- I. HELMETS TO HARDHATS: VETERAN EMPLOYMENT: Lessor shall insert in its contract with its general contractor performing the Tenant Improvement work the following requirements:
- i. The general contractor agrees to utilize the series of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and Center's "Helmets to Hardhats" program to serve as a resources for preliminary orientations, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as described in the PSCBA.
 - ii. The general contractor may also utilize the services of the "Swords to Ploughshares" program.

3) PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT/ LABOR COMPLIANCE PROGRAM MONITORING.

- A. The County has elected to retain the services of a third party to monitor compliance with the PSCBA and associated provisions of the California Labor Code.
- B. The PSCBA/Labor Compliance Program ("PSCBA/LCP") will enforce the PSCBA, including the local hiring requirement. PSCBA/LCP services do not limit the scope of the Tenant Improvement Work and do not relieve the Lessor or its general contractor of any responsibility for coordination of the Tenant Improvement Work with the California Labor Code or the PSCBA.
- C. The Lessor shall be responsible for any costs that the County incurs as the result of any actions taken by DIR, or by the County when exercising its enforcement duties, to address general contractor and/or Subcontractor violations related to California Labor Code or the PSCBA. If the Lessor, general contractor or any of its Subcontractor are notified that they should take certain actions to be in compliance with the PSCBA or applicable state law and those actions are not taken or not taken in a timely manner, then the County shall have the right to recover the cost of all work performed by or for the County or its contractors from the date of such notice and the County shall have the right to back charge the Lessor for any and all costs associated with such work. The Lessor shall insert this requirement in its contract with its general contractor.
- D. Lessor shall require certified payroll reports for the duration of the Tenant

Improvement Work be maintained by the general contractor and submitted electronically, and are subject to all of the following conditions:

- i. Certified Payroll Reports (CPR) shall be submitted to the County (Elation) electronically on the web-based software system, described in Exhibit B-5 "Prevailing Wage and Related Labor Requirements Certification", to be utilized for collection and verification of payroll reports for the Tenant Improvement work.
- ii. CPR must contain all of information required by California Labor Code section 1776 and must be organized in a manner that is similar or identical to the format in which the information is reported on the DIR "Public Works Payroll Reporting Form" (Form A-1-131);
- iii. Statement of Compliance. CPR shall be accompanied by a signed "Statement of Compliance" certifying that the payroll reports are correct and complete and that each laborer or mechanic has been paid not less than the proper prevailing wage rate for the work performed. The wording of the certification shall comply with California Labor Code section 1776 and 29 C.F.R. § 5.5(a)(3)(ii)(B)-(D).
- iv. Electronic CPR submitted to the County, the DIR Division of Labor Standards Enforcement (DLSE), or other entity within the DIR, must be in the form of a non-modifiable image or record that bears an electronic signature or includes a copy of any original certification made on paper. Printed reports submitted on paper with an original signature will be accepted as supplemental information to electronic reports, and will not relieve the general contractor or its Subcontractor from their obligation to submit electronic reports.

4) **CONTRACTOR REGISTRATION**

- A. The Lessor shall ensure that its general contractor and all subcontractors performing the Tenant Improvement Work have registered with the Department of Industrial Relations in accordance with the requirements of Labor Code section 1725.5.
- B. The cost of registration shall be considered as included within the not to exceed amount in Paragraph 3 of the Lease, and shall not be charged additionally to County.

EXHIBIT B-2 (Letter of Assent)

PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT

for the

COUNTY OF ALAMEDA

CONTRACTOR AGREEMENT TO BE BOUND

The undersigned, as a Contractor or Subcontractor (CONTRACTOR) on the _____ Tenant Improvement Work on behalf of tenant County of Alameda (hereinafter PROJECT), for and in consideration of the award to it of a contract to perform work on said PROJECTS, and in further consideration of the mutual promises made in the "Project Stabilization/Community Benefits Agreement for the County of Alameda Project" (hereinafter AGREEMENT), a copy of which was received and is acknowledged, hereby:

- (1) Accepts and agrees to be bound by the terms and conditions of the AGREEMENT, together with any and all amendments and supplements now existing or which are later made thereto;
- (2) The CONTRACTOR agrees to be bound by the legally established local trust agreements as set forth in Article 14 of this AGREEMENT.
- (3) The CONTRACTOR authorizes the parties to such local trust agreements to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the CONTRACTOR;
- (4) Certifies that it has no commitments or agreements which would preclude its full and complete compliance with the terms and conditions of said AGREEMENT.
- (5) Agrees to secure from any CONTRACTORS (as defined in said AGREEMENT) which is or becomes a Subcontractor (of any tier) to it, a duly executed Agreement to be Bound in form identical to this document.

Dated: _____

(Name of Contractor)

(Name of Prime Contractor or Higher Title) Level Subcontractor)

(Authorized Officer &

CA Number _____

(Address)

Contract or Project # _____

(Phone)

(Fax)

Exhibit B-3

PROJECT STABILIZATION/COMMUNITY BENEFIT AGREEMENT
of the COUNTY OF ALAMEDA
FORMS

The Lessor shall require its general contractor and each subcontractor at all tiers to complete and submit all forms required by the Labor Compliance Program Guidebook included in this Lease as "PSCBA FORMS".



Labor Management Consultants
1630 12th Street
Oakland, CA 94607
www.davillier-sloan.com

Labor Compliance Program Guidebook

Please provide this packet to all subcontractors with instruction that they provide it to all lower tier subcontractors. The Design-Build contractor is ultimately responsible for labor compliance on the entire project.

Labor Compliance

Famija Basic
(510) 385-1261
famija@davillier-sloan.com

Certified Payroll

Platinum Systems, Inc.
(925) 924 - 0340
support@relationsystem.com

The information in this Guidebook is for general guidance on the matters of Labor Compliance monitoring. Davillier-Sloan, Inc. makes every attempt to ensure the information contained in the Guidebook is free from errors and obtained from accurate and current sources. Davillier-Sloan, Inc. reserves the right, at its discretion, to change or modify all or any part of this packet. Periodically revised updated copies may be obtained by emailing a request to: info@davillier-sloan.com.

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Section 1: Introduction

- A. Overview
- B. Prevailing Wage Determinations
- C. Site Visits
- D. Required Forms
- E. Project/Program Closeout
- F. Apprenticeship Utilization

Overview

Davillier-Sloan, Inc. (DSI) is a third party Labor Compliance Program (LCP) administrator. This LCP Guidebook has been developed for your reference and highlights the requirements, submittals and timelines necessary to be compliant with the program.

Certified Payrolls for this project will be submitted electronically into the Elation web based program. Related forms will be available online and should be accessed and downloaded according to the instructions provided by Elation Systems once you have registered on the site.

The law requires that all workers including employees, independent contractors, owner-operators etc. on a public works project must be paid the prevailing wage of the area in which the project is located. Detailed information pertaining to labor compliance may be found in the contract specifications.

Prevailing Wage Determinations

The California prevailing wage determinations are based on the first bid advertisement/publication date. For design build projects, the construction contract signing/construction contract award date shall be considered the bid advertisement date.

The California prevailing wage determinations and rates are published twice each year, in February and August. All determinations are effective ten (10) days after issuance. Some trades are issued regionally (Northern and Southern California) and other sub trades are by the county in which the project is located. There are separate determinations for apprentices on public works.

The prevailing wage determination by craft can be found on the Department of Industrial Relations (DIR) web site: www.dir.ca.gov (Labor Law/Public Works). Prevailing wage determinations and any rate changes must be posted at the job site available for workers to view.

Asterisk (*) clarifications:

- Prevailing wage determinations with a single asterisk (*) after the expiration date, which are in effect on the date of advertisement of bids, remain in effect for the life of the project.
- Interested parties should contact the DIR at (415) 703-4774 for the new rates after ten (10) days from the expiration date (if no subsequent determination is required).
- Prevailing wage determinations with double asterisks (**) after the expiration date indicate that the basic hourly rate, overtime, holiday pay and employers' payments for work performed after this date have been predetermined. If work is to extend past this date, the new rates must be paid and should be incorporated into contracts entered now.

Site Visits

Site visits will be conducted weekly. Information on certified payrolls will be verified by visual inspection and random in-person worker interviews.

Required Forms

The required forms are available for download in the Elations system. Copies of completed, signed forms should be forwarded to the appropriate agency and uploaded into Elation for verification.

Prior to Construction Forms

1. Checklist of Labor Law Requirements

The Design-Build contractor and each subcontractor at all tiers must complete and submit this form acknowledging the California Labor Codes Regulations governing public works projects.

2. Division of Apprenticeship Standards Form DAS
140 Public Works Contract Award Information

- The general contractor and each subcontractor at all tiers must complete and submit this form to the local Apprenticeship Committee to inform them of the award of your contract.
- Submit the DAS 140 to the Joint Apprenticeship Training Committee (JATC) for each apprentice able craft or trade within the area of the project site. The general contractor and each subcontractor at all tiers must submit this form within ten (10) days of the date of the execution of the contract but no later than the first day the contractor has workers employed on-site.

3. Division of Apprenticeship Standards Form DAS
142 Request for Dispatch of an Apprentice

- The general contractor and each subcontractor at all tiers must complete and submit a Request for Dispatch of an Apprentice in writing at least 72 business hours prior to the date apprentices are needed.
- Submit the DAS 142 to each of the JATCs in the area of the project for each apprenticeable craft, until the required number of apprentices has been provided. If the required number of apprentices is not provided and a request has been submitted to all of the Committee's in the area of the project, then the contractor shall be considered in compliance.

4. Alameda County PS/CBA Local Hiring Compliance Plan

- This form serves as the "Local Hiring Plan" document described in Section 2F of Exhibit B-1 and as further described in the PSCBA.
- The responses on this form shall serve as the basis for local hiring on the project.
- As described in Section 2F of Exhibit B-1, the Contractor shall complete this form and submit it to the County and the Lessor within one week of issuance of the notice to proceed or similar document. The Lessor and County must approve the proposed Local Hiring Plan.

5. Pre-Job Conference Request

- The contractor shall submit this form at the same time it requests the Pre-Job Conference described in Section 2C of Exhibit B-1.

- The Pre-Job Conference Request form shall list all subcontractors of any tier and all proposed scopes of work. Incomplete forms will not be accepted. A Pre-Job Conference Request form shall be considered incomplete if it omits any work proposed to be performed by a subcontractor of any tier.
6. Alameda County PS/CBA Project Information Form
- In accordance with Section 2(A)(ii) of Exhibit B-1, this form provides the County and the Union(s) with notice of subcontractors to be performing work on the project to the extent subcontractors are not identified in the Pre-Job Conference on the Pre-Job Conference Request form when, for example, there is substitution of subcontractors after the Pre-Job Conference.
 - Submit this form at the same time as submission of the Pre-Job Conference form, and within 24-hours of subcontractor substitution.

During Construction Forms

1. Statement of Employer Payments

Must be submitted with the first certified payroll, when prevailing wage rates are updated, and when there is a change in fringe benefits.

Additional annuity payments can be indicated in the notes section of the CPR and a union dispatch slip should be uploaded into the Elation System.

2. California Apprentice Council Training Fund Contribution (CAC-2)

The training fund contributions to the CAC are due on the 15th of each month for work performed during the preceding month. Refer to the DIR applicable prevailing wage determinations for the amount owed for each hour of work performed for journeymen and apprentices.

3. Statement of Non-Performance (when applicable)

This form is submitted when the contractor is not working on the job site for a period of more than one week but has not completed their work. Does not need to be submitted until after the first certified payroll report is received.

One form may be submitted for consecutive non-performing weeks.

4. Certified Payroll Reporting Form

Any person employed upon the project that is working with tools must be listed on the certified payroll including but not limited to owners, operators, surveyors, and foremen.

The certified payroll records shall be submitted and maintained electronically subject to the following conditions:

- i. The certified payroll reports contain all of the information required by California Labor Code Section 1776. The information must include name, address, social security number, craft, classification, wages, and hours worked.
- ii. The reports shall be in a format and/or use software that is readily accessible to Contractors, Awarding Bodies, LCPs, the DIR, and the DOL.

Certified Payroll submitted to DSI, the DLSE, or another entity within the DIR must be in the form of a non-modifiable image or record that bears an electronic signature or includes a copy of any original certification made on paper.

The requirements for redacting information shall be followed when certified payroll records are disclosed to the public pursuant to California Labor Code Section 1776(e). This requirement will apply whether the records are provided electronically or as hard copies.

No general contractor or subcontractor shall be mandated to submit or receive electronic reports when it otherwise lacks the resources or capacity to do so, nor shall any general contractor or subcontractor be required to purchase or use proprietary software that is not generally available to the public.

5. Statement of Compliance Certificate

A Statement of Compliance shall accompany each certified payroll record.

6. Verification of Apprenticeship Status (DAS)

Verification is available on the DIR website at

<http://www.dir.ca.gov/DAS/appcertpw/AppCertSearch.asp>.

Project/Program Closeout

Contractor Affidavit

Verifies the contractor's information, work classifications used, type of work completed, first payroll report date to final payroll report date, and how the apprenticeship utilization requirement was reached.

Apprenticeship Utilization

California Labor Codes require Contractors to hire apprentices unless the total construction contract for the project is less than \$30,000 or it is not an apprenticeable craft.

Contractors, including Design-Build, General or Specialty subcontractors shall employ registered apprentices during the performance of public works in accordance with the required one (1) hour of work performed by an apprentice for every five (5) hours of work performed by a journeyman. Unless an exemption has been granted, the contractor shall employ apprentices for the number computed above, before the end of the contract or provide good faith effort documentation.



**Section 2:
Prior to Construction Forms**

- A. Checklist of Labor Law Requirements
- B. Public Works Contract Award Information (DAS 140 Form)
- C. Request for Dispatch of an Apprentice (DAS 142 Form)
- D. Alameda County PS/CBA Local Hiring Compliance Plan
- E. Pre-Job Conference Request
- F. Alameda County PS/CBA Project Information Form

Checklist of Labor Law Requirements (CCR Title 8, Section 16421)

Ultimately the prime contractor is liable for their sub and specialty contractors. This checklist is a useful tool for the prime contractor to ensure that their sub and specialty contractors know their responsibilities on public works projects. Contractors who understand and comply with the law are more likely to deliver the job on time, on budget and done right the first time. We suggest the prime contractor encourage completion of this checklist by their sub and specialty contractors.

NAME (PRINT) _____ DATE _____

COMPANY _____ PHONE _____

ADDRESS _____ FAX _____

CITY _____ STATE _____ ZIP CODE _____

PROJECT MANAGER _____ SUPERINTENDENT/FOREMAN _____

CERTIFIED PAYROLL _____ PHONE/EXT. _____

CONTRACTOR LICENSE NO. _____ EXP. DATE _____ SPECIALTY LICENSE NO. _____

SELF-INSURED CERTIFICATE NO. _____ WORKERS COMP. POLICY NO. _____

PROJECT NAME _____ PROJECT #/BID PACKAGE# _____

AWARDING BODY _____ ADVERTISEMENT DATE _____

IF SUB-CONTRACTING, LIST YOUR PRIME/GENERAL CONTRACTOR _____

CONTRACT AWARD AMOUNT _____

THE FEDERAL AND STATE LABOR LAW REQUIREMENTS APPLICABLE TO THE CONTRACT ARE COMPOSED OF, BUT NOT LIMITED TO, THE FOLLOWING:

Payment of Prevailing Wage Rates

The contractor to whom the contract is awarded and its subcontractors hired for the public works project are required to pay not less than the specified general prevailing wage rates to all workers employed in the execution of the contract. *Labor Code Section 1770 et seq.*

The contractor is responsible for ascertaining and complying with all current general prevailing wage rates for crafts and any rate changes that occur during the life of the contract. Information on all prevailing wage rates and all rate changes are to be posted at the job site for all workers to view. Additionally, current wage rate information can be found at the DLSR web site, www.dir.ca.gov/dlsr/statistics_research.html.

Apprentices

It is the duty of the contractor and subcontractors to employ registered apprentices on the public works project and to comply with all aspects of *Labor Code Section 1777.5*, relating to Apprentices on Public Works. (1) Notify approved apprenticeship programs of contract award; (2) employ apprentices; (3) pay training fund contributions.

Penalties

There are penalties required for contractor's/subcontractor's failure to pay prevailing wages and for failure to employ apprentices, including forfeitures and debarment under *Labor Code Sections 1775; 1776; 1777.1; 1777.7 and 1813*.

Certified Payroll Reports

Under *Labor Code Section 1776*, contractors and subcontractors are required to keep accurate payroll records showing the name, address, social security number and work classification of each employee and owner performing work; also the straight time and overtime hours worked each day for each week, the fringe benefits, and, the actual per diem wage paid to each owner, journey person, apprentice worker or other employee hired in connection with the public works project.

This requirement includes and applies to all subcontractors performing work on Awarding Body projects even if their portion of the work is less than one half of one percent (0.05%) of the total amount of the contract.

The certified payroll records shall contain the same data fields listed on the *Public Works Payroll Reporting Form (A-1-131)* and contain or is accompanied by a declaration made under penalty of perjury. (*California Code of Regulations, Section 16401*).

Prime Contractors are responsible for submittal of their payrolls and those of their respective subcontractors as one package. Any payroll not submitted in the proper form will be rejected. In the event that there has been no work performed during a

Checklist of Labor Law Requirements, continued

given week, the Certified Payroll Report shall be annotated: "No work" for that week or a Non-Performance Statement must be submitted.

Employee payroll records shall be certified and shall be made available for inspection at all reasonable hours at the principal office of the contractor/subcontractor, or shall be furnished to any employee, or his/her authorized representative on request, pursuant to *Labor Code Section 1776*.

Under *Labor Code Section 1776(g)* there are penalties required for contractor's/subcontractor's failure to maintain and submit copies of certified payroll records on request.

Nondiscrimination in Employment

There exist prohibitions against employment discrimination under *Labor Code Sections 1735 and 1777.6*, the *Government Code*, the *Public Contracts Code*, and *Title VII of the Civil Rights Act of 1964*.

Kickbacks Prohibited

Contractors and subcontractors are prohibited from recapturing wages illegally by accepting or extracting "kickbacks" from employee wages under *Labor Code Section 1778*.

Acceptance of Fees Prohibited

There exists a prohibition against contractor/subcontractor acceptance of fees for registering any person for public work under *Labor Code Section 1779*; or for filling work orders on public works contracts pursuant to *Labor Code Section 1780*.

Listing of Subcontractors

All prime contractors are required to list properly all subcontractors hired to perform work on the public works projects covering more than one-half of one percent, pursuant to *Government Code Section 4104*.

Proper Licensing

Contractors are required to be licensed properly and to require that all subcontractors be properly licensed. Penalties are required for employing workers while unlicensed under *Labor Code Section 1021* and under the California Contractor License Law found at *Business and Professions Code Section 7000 et seq.*

Unfair Competition Prohibited

Contractors and sub-contractors are prohibited from engaging in unfair competition as specified under *Business and Professions Code Sections 17200 to 17208*.

Workers Compensation Insurance

Labor Code Section 1861 requires that contractors and subcontractors be insured properly for Workers Compensation.

OSHA

Contractors and subcontractors are required to abide by the Occupational, Safety and Health laws and regulations that apply to the particular construction project.

Proof of Eligibility/Citizenship

The federal prohibition against hiring undocumented workers, and the requirement to secure proof of eligibility/citizenship from all workers, is required.

Itemized Wage Statement

Labor Code Section 226 requires that employees be provided with itemized wage statements.

CERTIFICATION

I acknowledge that I have been informed and am aware of the foregoing requirements and that I am authorized to make this

certification on behalf of _____

(COMPANY NAME)

I fully understand that failure to comply with any of the above requirements may subject me, or my company, to penalties as provided above.

Contractor _____

(SIGNATURE)

(DATE)

Awarding Agency /Labor Compliance Program _____

(SIGNATURE)

(DATE)

PUBLIC WORKS CONTRACT AWARD INFORMATION

Contract award information must be sent to your Apprenticeship Committee if you are approved to train. If you are not approved to train, you must send the information (which may be this form) to ALL applicable Apprenticeship Committees in your craft or trade in the area of the site of the public work. Go to: <http://www.dir.ca.gov/das/PublicWorksForms.htm> for information about programs in your area and trade. You may also consult your local Division of Apprenticeship Standards (DAS) office whose telephone number may be found in your local directory under California, State of, Industrial Relations, Division of Apprenticeship Standards.

Do not send this form to the Division of Apprenticeship Standards.

NAME OF YOUR COMPANY	CONTRACTOR'S STATE LICENSE NO
MAILING ADDRESS- NUMBER & STREET, CITY, ZIP CODE	AREA CODE & TELEPHONE NO.
NAME & ADDRESS OF PUBLIC WORKS PROJECT	DATE YOUR CONTRACT EXECUTED
	DATE OF EXPECTED OR ACTUAL START OF PROJECT
NAME & ADDRESS OF PUBLIC AGENCY AWARDED CONTRACT	ESTIMATED NUMBER OF JOURNEYMEN HOURS
	OCCUPATION OF APPRENTICE
THIS FORM IS BEING SENT TO: (NAME & ADDRESS OF APPRENTICESHIP PROGRAM(S))	ESTIMATED NUMBER OF APPRENTICE HOURS
	APPROXIMATE DATES TO BE EMPLOYED

This is not a request for dispatch of apprentices.

Contractors must make a separate request for actual dispatch, in accordance with Section 230.1(a) California Code of Regulations

Check One Of The Boxes Below

1. We are already approved to train apprentices by the _____
Apprenticeship Committee. We will employ and train under their Standards. Enter name of the Committee
2. We will comply with the standards of _____
Apprenticeship Committee for the duration of this job only. Enter name of the Committee
3. We will employ and train apprentices in accordance with the California Apprenticeship Council regulations, including § 230.1 (c) which requires that apprentices employed on public projects can only be assigned to perform work of the craft or trade to which the apprentice is registered and that the apprentices must at all times work with or under the direct supervision of journeyman/men.

Signature _____ Date _____

Typed Name _____

Title _____

**State of California - Department of Industrial Relations DIVISION
OF APPRENTICESHIP STANDARDS**



REQUEST FOR DISPATCH OF AN APPRENTICE – DAS 142 FORM

DO NOT SEND THIS FORM TO DAS

You may use this form to request dispatch of an apprentice from the Apprenticeship Committee in the craft or trade in the area of the public work. Go to: <http://www.dir.ca.gov/databases/das/pwaddrstart.asp> for information about programs in your area and trade. You may also consult your local Division Apprenticeship Standards (DAS) office whose telephone number may be found in your local directory under California, State of, Industrial Relations, Division of Apprenticeship Standards. **Except for projects with less than 40 hours of journeyman work, you must request and employ apprentices in no less than 8 hour increments.**

Date: _____	Contractor Requesting Dispatch:
To Applicable Apprenticeship Committee:	Name: _____
Name: _____	Address: _____
Address: _____	_____
_____	License No. _____
Tel. No. _____ Fax No. _____	Tel. No. _____ Fax No. _____

Project Information:

Contract No. _____

Name of the Project: _____

Address: _____

Dispatch Request Information:

Number of Apprentice(s) Needed: _____ Craft or Trade: _____

Date Apprentice(s) to Report: _____ (72 hrs. notice required) Time to Report: _____

Name of Person to Report to: _____

Address to Report to: _____

*You may use this form to make your written request for the dispatch of an apprentice. Requests for dispatch must be in writing and submitted at least 72 hours in advance (excluding weekends and holidays) via first class mail, fax or email. **Proof of submission may be required.** Please take note of California Code of Regulations, Title 8, § 230.1 (a) for all applicable requirements regarding apprenticeship requests and/or visit <http://www.dir.ca.gov/DAS/DASApprenticesOnPublicWorksSummaryOfRequirements.htm>*

DAS 142 (Revised 04/14)

Alameda County PS/CBA Local Hiring Compliance Plan
To be filled out by contractors at every tier. Please type or print clearly.

Alameda County Project Name _____
Contractor Name _____ GC or Subcontractor

Scope of Work _____
(Further explanation can be attached on separate sheet of paper)

Contract Amount _____ Phone & Email: _____

Estimated Start Date: _____ Estimated Completion Date: _____

List all trades anticipated: _____
If craft area allows, are you willing to sponsor new apprentices? Yes _____ No _____

Are you signatory to one or more unions? Yes _____ No _____ Please list: _____

Estimated number of peak workforce: _____ Estimated peak workforce date: _____

Estimated number of journeypersons to be hired: _____
Estimated number of hours to be worked by journeypersons: _____
Estimated number of apprentices to be hired: _____
Estimated number of hours to be worked by apprentices: _____

Contractor's narrative description of plan for hiring local area journeypersons and apprentices:

Follow-up meeting: _____

Agreement confirmed:

Contractor Representative:

Jake Sloan
Davillier Sloan, Inc.
Date:

Sign & Print Name:
Date:

Project Stabilization/Community Benefits Agreement Local Hiring Program & Good Faith Efforts

The following is a summary of the Local Hiring Program. Please refer to the PS/CBA for details.

- Alameda County residents will perform up to 40% of all hours worked on the PS/CBA covered project, on a craft-by-craft basis, if such workers are available, capable and willing to work on the Project, together with the apprentice goals in Article 18.
- Contractors shall make good faith efforts to reach these goals. Unions shall make good faith efforts to assist the contractor in reaching this goal.
- For this PS/CBA project, the Design-Build Entity will be responsible to ensure that it and/or its subcontractors hire at least one (1) new stage apprentice for the first \$1 million of the Design-Build Agreement construction value and for each succeeding \$5 million of construction value, the Design-Build Entity and/or its subcontractors will be required to hire at least one (1) additional new first stage apprentice.

The following are some of the “Good Faith” steps that a contractor can take to demonstrate that it has made every effort to reach the local hiring goals of the PS/CBA. This list is a minimum and additional efforts may be required.

- The Contractors shall **attend the scheduled pre-job meetings**. At this meeting, the Contractor must submit written workforce projections and projected man-hours on a craft-by-craft basis, consistent with the Contractor’s bid proposal. In the event the pre-job meeting is waived, the Contractor must submit written workforce projections to the Coordinator within five (5) days.
- Within one week of the issuance of the Notice to Proceed, the Contractors shall **meet with the Coordinator to review and approve its compliance plan** for reaching the Local Hiring Goals, using the required compliance plan form provided by the County.
- The Contractors shall submit **copies of hiring hall dispatch requests and responses** to the Coordinator within ten (10) days of Coordinator’s request at any point during the execution of the Project.
- The Contractors shall **immediately contact the Coordinator if a union hiring hall dispatcher will not or cannot, upon request of the Contractor, dispatch local Residents**.
- The Contractors shall **use the “Name Call,” “Rehire”** or other available hiring hall procedures to reach goals and shall **provide documentation** of such requests to the Coordinator upon request.

- The Contractors shall **use community based organizations as a resource** for local labor resources, if a union will not or cannot provide local Residents as requested, and in conformity with the collectively bargained union hiring hall agreement.
- The Contractors shall **sponsor local Residents** as defined herein for apprenticeship, when possible.
- The Contractors shall **maintain records for each Resident** of Alameda County who was referred but not hired along with an explanation why the worker was not hired. Upon request, such records shall be made available for review by the County, Coordinator, and JAC for the duration of the Covered Projects.
- The Contractors shall **document participation in any local employment training programs** and submit documentation of such to the Coordinator within ten (10) days if requested by Coordinator.
- Contractor **may qualify for full credit** toward the goal by employing Alameda County Residents for other work the Contractor is performing in any of the nine Bay Area counties of: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Marin, Solano, Napa and Sonoma. Credit will only be given for work performed during the life of the Covered Project. In order to receive such credit, the Contractor must submit certified payrolls as documentation to the Coordinator. No credit for off-site work will be allowed until the Contractor has demonstrated a good faith effort to reach the goal on the Covered Projects and has received approval from

Alameda County PS/CBA PROJECT INFORMATION FORM
To be filled out by project prime contractor only. Please type or print clearly.

Complete Alameda County Project #/Name _____

General Contractor _____ Contract Amount _____

Address, City, State, Zip _____

Scope of Work _____

(Further explanation can be attached on separate sheet of paper)

Project Manager _____

Phone Number (office) _____ (cell) _____

E-mail Address _____

Certified payroll contact _____

Phone Number (certified payroll) _____ (fax) _____

E-mail Address _____

Estimated Start Date _____ Estimated Completion Date _____

Please attach a subcontractor list and notify DSI when a new subcontractor (any tier) begins work on-site.



**Section 3:
During Construction Submittals**

- A. Statement of Employer Payments
- B. CAC Training Fund Contributions (CAC-2 Form)
- C. Statement of Non-Performance
- D. Public Works Payroll Reporting Form (A-1-131 Form)
- E. Verification of Apprenticeship Status

Statement of Employer Payments

Date:		In Reply, Refer to Case No:	
Prime:			
Subcontractor:			
PROJECT NAME:			
PROJECT CONTRACT NO.:		County/location:	
HEALTH AND WELFARE			
NAME OF PLAN		Address, City and Zip	
ADMINISTRATOR		Address, City and Zip	
CLASSIFICATION(S) USED		CONTRIBUTION PER CLASSIFICATION PER HOUR	
CONTRIBUTIONS:	WEEKLY	MONTHLY	QUARTERLY ANNUALLY
PENSION			
NAME OF PLAN		Address, City and Zip	
ADMINISTRATOR		Address, City and Zip	
CLASSIFICATION(S) USED		CONTRIBUTION PER CLASSIFICATION PER HOUR	
CONTRIBUTIONS:	WEEKLY	MONTHLY	QUARTERLY ANNUALLY
VACATION/HOLIDAY			
NAME OF PLAN		Address, City and Zip	
ADMINISTRATOR		Address, City and Zip	
CLASSIFICATION(S) USED		CONTRIBUTION PER CLASSIFICATION PER HOUR	
CONTRIBUTIONS:	WEEKLY	MONTHLY	QUARTERLY ANNUALLY
TRAINING			
NAME OF PLAN		Address, City and Zip	
ADMINISTRATOR		Address, City and Zip	
CLASSIFICATION(S) USED		CONTRIBUTION PER CLASSIFICATION PER HOUR	
CONTRIBUTIONS:	WEEKLY	MONTHLY	QUARTERLY ANNUALLY



IF YOU USE OTHER PLANS NOT LISTED ABOVE, YOU MAY USE THE BACK OF THIS FORM TO PROVIDE THIS ADDITIONAL INFORMATION



Division of Apprenticeship Standards (DAS)

CAC - Training Fund Contributions

You must enter all requested information in order to ensure successful submission and processing of your payment.
 Training Fund Contributions are due on the 15th of each month.

All fields with * are required

If there is no work for a particular month you do not need to submit a CAC2 form with zero amount for that month.

You must use the **BUTTON** on the bottom of the page to submit for an invoice coupon.

TO NAVIGATE BETWEEN FIELDS, DO NOT HIT RETURN OR ENTER KEY AFTER EACH ENTRY. USE THE TAB KEY INSTEAD.

You need to have a working printer currently connected to your computer in order to print the complete paper form in the end of this session so that you can mail it with your payment.

Training Fund Contributions Form CAC2

Date: 2/2/2016

CLEAR FORM

Contractor/Sub Contractor making contributions	Contractor	Period covered by contribution (from - to)	Jobsite Location (including County)
* Name: <input type="text"/>	* License Number: <input type="text"/>	* Period Start: <input type="text"/>	If applicable, give name of school, hospital, building, etc. <input type="text"/>
* Address: <input type="text"/>	* Contract/Project Number: <input type="text"/>	* Period End: <input type="text"/> (MM/DD/YYYY)	Comments: <input type="text"/>
* City: <input type="text"/>			
* State: <input type="text"/>			
* ZIP: <input type="text"/>			

* Name of the submitting party: <input type="text"/>	* Submitter's Title: <input type="text"/>	* Submitter's Email: <input type="text"/>	* Submitter's Phone: e.g., (999) 999-9999 <input type="text"/>
---	--	--	--

Instructions: You may want to use the keyboard TAB key to navigate the fields and the Up | Down V ARROW keys to select a list item.

	* County of Work	* Classification ¹	* Hours (min.: 0.5; max: 9 999.99)	* Rate (min.: 0.01; max: \$9.99)	Amount
*1)	Select a county ▾	Select an occupation ▾	** <input type="text"/>	\$ ** <input type="text"/>	\$ 0.00
2)	Select a county ▾	Select an occupation ▾	<input type="text"/>	\$ <input type="text"/>	\$ 0.00
3)	Select a county ▾	Select an occupation ▾	<input type="text"/>	\$ <input type="text"/>	\$ 0.00
4)	Select a county ▾	Select an occupation ▾	<input type="text"/>	\$ <input type="text"/>	\$ 0.00
5)	Select a county ▾	Select an occupation ▾	<input type="text"/>	\$ <input type="text"/>	\$ 0.00
6)	Select a county ▾	Select an occupation ▾	<input type="text"/>	\$ <input type="text"/>	\$ 0.00

				\$		
7)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
8)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
9)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
10)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
11)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
12)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
13)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
14)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
15)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
16)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
17)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
18)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
19)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00
20)	Select a county ▼	Select an occupation ▼		\$		\$ 0.00

Footnote 1 – If you are unable to locate the occupation in the pull down menu, please click on this link:
<http://www.dir.ca.gov/databases/das/pwaddrstart.asp> for specific information assistance.

TOTAL AMOUNT: \$ 0.00

When done with some or all the entries above, please carefully review and then enter the green code you see below:

51839

Calculate Total Amount

August 2014

TO BE TYPED ON COMPANY LETTERHEAD

STATEMENT OF NON-PERFORMANCE

Payroll # _____

Date _____

I do hereby state that no persons employed on the construction of the _____
(Project Name)

Project, for _____ Company, Contract No. _____
(Awarding Body)

During the payroll period commencing on the _____ th day of _____, 201_

and ending on the _____ th day of _____, 201_.

(Company Name)

(Authorized Signer)

NOTICE TO PUBLIC ENTITY

For Privacy Considerations

Fold back along dotted line prior to copying for release to general public (private persons).

(Paper Size then 8-1/2 x 11 inches)

I, _____, the undersigned, am the
(Name - print)

_____ with the authority to act for and on behalf of
(Position in business)

_____ certify under penalty of perjury
(Name of business and/or contractor)

that the records or copies thereof submitted and consisting of _____
(Description, number of pages)

are the originals or true, full, and correct copies of the originals which depict the payroll record(s)
of the actual disbursements by way of cash, check, or whatever form to the individual or
individuals named.

Date: _____

Signature: _____

A public entity may require a stricter and/or more extensive form of certification.



Division of Apprenticeship Standards (DAS)

Apprentice certification

Apprenticeship certification for public works

Enter search string (LLLLL9999) here

How to compile the search string:

The search string is a total of nine letters and numbers (no characters ' , - , etc); the first four letters of the last name (use spaces to make four letters if the last name is shorter than four letters), the first letter of the first name and the last four digits of the social security number (LLLLL9999). Letters can be entered as lower or upper case.

Examples:

Uncle Sam ssn 123-45-6789 would be entered as Sam U6789

Goddess Minerva ssn 123-45-5555 would be entered as MineG5555

Richard AlHam ssn 111-44-1111 would be entered as AlhaR1111

Robert O'Brian ssn 111-22-3333 would be entered as OBriR3333

James McHenry ssn 555-66-1234 might be entered as McHeJ1234 or Mc HJ1234

If you cannot find the individual you are looking for, complete the certifications you have and see the notes below.

If a search string that was entered does not match with any apprentices in the Division of Apprenticeship Standards (DAS) database, this could be due to any of the following:

1. Not a registered apprentice.
2. The submitted search string does not match to DAS records (either the database has the wrong search criteria or you have the wrong search criteria).
3. The apprentice agreement has not been submitted to DAS or has not been entered into the database (agreements must be submitted within 30 days of the date that the apprentice signed the agreement).

If you believe that the apprentice should be reported as registered and is not, please contact your local office of the Division of Apprenticeship Standards:



SECTION 4: CLOSEOUT

This form must be submitted to DSI
during project/program closeout

A. Contractor Affidavit

Contractor Affidavit
Contract # _____

1. I am the _____ (owner, officer, partner) of _____ (Company) who performed work on the _____ (Project) in the classification (s) of _____.
The labor performed by these workers can best be described by _____.

2. During the payroll periods commencing on _____ and ending on _____ all persons employed by my company on this project have been paid the specified prevailing rate of per diem wages for the specified craft or classification pursuant to Labor Code Section 1771¹.

3. The apprenticeship committee (s) either denied or failed to respond to our request for the dispatch of apprentices, and therefore all workers were classified as journeyman

Or

4. Apprentice (s) worked a total of _____ hours and _____ journeyman worked a total of _____ hours establishing an apprentice \ journeyman ratio in hours of ___ to _____.

Or

5. Apprentices were employed in accordance with the DAS exemption that required one apprentice for every five journeyman employed on each day of the contract.

Executed this _____ day of _____ 20____, at _____, California.

Signature

¹ Except for public works project of one thousand dollars (\$1000) or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works.

Exhibit B-4

DOCUMENT 00 73 49B

FOR INFORMATION ONLY

PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT

for the

COUNTY OF ALAMEDA

County of Alameda
County-wide Project Stabilization/Community Benefits Agreement
Page 1 of 40

Final for Award - November 3, 2015

PSCBA AGREEMENT
DOCUMENT 00 73 49B

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PREAMBLE

This Agreement is made and entered into on this ____ day of _____ 2013, by and between the County of Alameda ("County") together with Contractors and/or subcontractors, who shall subsequently become signatory to this Agreement by signing the "Contractor Agreement To Be Bound" (Exhibit A), ("Contractors"), the Building and Construction Trades Council of Alameda County, AFL-CIO ("Council") and the Local Unions signatory hereto, all in their behalf and in behalf of the various Local Unions involved, ("Union(s)") for the construction of all Covered Projects ("Covered Projects").

Recitals

WHEREAS, the Projects described in this Agreement have been identified by the County as those in which a Project Stabilization/Community Benefits Agreement would benefit the County; and

WHEREAS, the Contractors will be engaged in construction of the project; and

WHEREAS, a skilled labor pool represented by Building Trades Unions will be required to complete the work involved; and

WHEREAS, the Building Trades Unions agree to cooperate in every way possible with employees of the Contractors; and

WHEREAS, the parties to this Agreement mutually agree that safety, quality, productivity and labor harmony are primary goals; and

WHEREAS, the County desires to provide, enhance and encourage construction training and employment opportunities for Alameda County residents and small business enterprises within the County through apprentice and pre-apprentice programs; and

WHEREAS, the County also desires to use this Agreement as a vehicle for building the capacity of Alameda County residents and businesses and to maximize their potential to successfully participate in other large scale projects; and

WHEREAS, the parties recognize the need for safe, efficient and speedy construction in order to reduce unnecessary delays and result in timely completion of the project; and

WHEREAS, the parties desire to mutually establish and stabilize wages, hours and working conditions for the employees employed on the project by the Contractors, and further to encourage close cooperation to achieve a satisfactory, continuous and harmonious relationship between the parties to this Agreement;

WHEREAS, the County of Alameda's mission is to enrich the lives of all residents through visionary policies and accessible, responsible and effective services and historically the County

has supported contracting outreach programs that recognize the economic and workforce development potential of capital construction projects on government owned facilities; and

WHEREAS, the Parties recognize that disadvantaged individuals, families, and communities within the county experience high unemployment and are also often recipients of County services, and that these disadvantaged populations may economically benefit through participation in local hire, apprenticeship and pre-apprenticeship programs; and

WHEREAS, the Union(s), Contractors, subcontractors, and the County wish to insure labor peace at the Covered Project sites devoid of any disruption that could jeopardize the schedule and timeliness of the construction process, where both Contractors that are signatory to collective bargaining agreements of the Union(s) are supervising employees that are members of the Union(s) and where Contractors that are not Signatory to collective bargaining agreements are supervising employees;

NOW THEREFORE, the parties, in consideration of the mutual promises and covenants herein contained, mutually agree as follows:

ARTICLE 1

DEFINITIONS

1.1 For purposes of this Agreement, the following terms will have the following meanings:

"Acceptance" shall mean action by the County notifying Contractor and other entities of Completion, as required by and in accordance with contract terms and relevant applicable statutes.

"Agreement" shall mean this Project Stabilization/Community Benefit Agreement.

"Alternative Employees" shall mean an employee whose services have been obtained from other than the Union referral facilities as permitted in Section 19.6 of this Agreement.

"Apprentice" shall mean a person enrolled in a State approved apprenticeship training program administered by a Joint Labor-Management Apprenticeship Training Committee (JATC).

"Completion" means that the work of Contractors' is completed, as follows:

1. The occupation, beneficial use, and enjoyment of a work of improvement, excluding any operation only for testing, startup, or commissioning, by the public agency, or its agent, accompanied by a cessation of labor on the work of improvement.
2. The acceptance by the public agency, or its agent, of the work of improvement.

"Contractors" means all contractors and subcontractors at all tiers, any individual, firm, partnership or corporation, or combination thereof, including joint ventures, which is an

independent business enterprise and has entered into a contract with the County or any of its contractors or subcontractors at any tier, with respect to the construction work covered by this Agreement and necessary for the project or any part thereof, including construction building material delivery (if the material is for direct incorporation) and removal truckers, trucking companies and trucking brokers, including the operating of construction equipment, performance of labor and/or installation of materials.

"Coordinator" shall mean the company or individual designated or retained by the County to administer this Agreement.

"Core Employee" shall mean an individual meeting the criteria listed in Section 19.1.1-19.1.5.

"Council" shall mean the Building and Construction Trades Council of Alameda County.

"County" shall mean the County of Alameda acting by and through its Board of Supervisors, Agency and Department heads and administrative staff.

"Covered Projects" and "Projects" means projects covered by the Agreement.

"Covered Work" means work done on the project and subject to the provisions of this Agreement.

"Disadvantaged Population" shall mean those Residents of Alameda County who meet at least one of the following criteria: household income below 50% of the Alameda County median, non-minor dependent youth (AB-12 youth – emancipated foster youth), homeless, welfare recipients, have a history of involvement with the criminal justice system, are unemployed, or a single parent.

"Emergency Work" shall mean those projects undertaken when an immediate or imminent critical impact to a facility or to the ability to provide essential services is likely within 30 days should no further action be taken, or in circumstances where mandatory environmental, health and/or safety requirements will be violated without said project.

"General Prevailing Wage Determination" shall mean the decisions made by the Director of the California Department of Industrial Relations (DIR) establishing a journeyman craft or classification's prevailing wage determination, holiday, advisory scope of work, or travel and subsistence provision.

"Local Hiring Goals" shall mean the Resident and Apprentice hiring goals set forth in Article 17 and Article 18 of this Agreement.

"Local Hiring Program" shall mean the program set forth in Article 17 and Article 18 of this Agreement intended to achieve the inclusion of County Residents in the employment and apprenticeship opportunities created by the Covered Work.

"Master Labor Agreement" or "MLA" shall mean the collective bargaining agreement of each craft Union that is Signatory to this Agreement.

"New Apprentice" shall mean an Alameda County Resident who on the date that such individual is hired or assigned to perform the applicable work, is newly enrolled (less than one year) in a labor-management apprenticeship program that is currently registered with the State of California's Division of Apprenticeship Standards.

"Owner Operator" shall mean a sole individual that owns and drives/operates a maximum of one unit and who is employed in the movement or transportation of materials or goods of another. The owner operator shall be carried on the payroll of the entity that employs or otherwise uses the Owner/Operator. The Owner/Operator shall direct a maximum of one unit which he or she shall drive themselves. In addition the owner operator must provide documentation of insurance, a business license, and a valid motor carrier permit issued solely in their name.

"Post Disaster Work" shall mean County approved construction projects consistent with Post Disaster response and recovery efforts per the California Government Code Section 20168 where the public interest and necessity demand immediate expenditure of public funds to safeguard life, health, or property following a local, state or federally declared disaster per the Stafford Act.

"Project Manager" shall mean the person or persons designated by the County of Alameda Board of Supervisors to act on behalf of the County in all matters involving or related to individual Covered Projects..

"Resident" shall mean an individual who has lived or resided in Alameda County for a period of not less than thirty (30) calendar days prior to the date of dispatch/referral of that individual by the Union to a Contractor performing work on the project or for a period of not less than thirty (30) calendar days prior to applying for work or inclusion in the Local Hire Program if the individual is an Alternative Employee, a Core Employee, a member of a Disadvantaged Population, or a Local Hire Program applicant.

"Signatory" shall mean those Unions who have through their officers and or agents executed this Agreement.

"Sole Proprietor" shall mean an owner who will self-perform the designated Covered Project Work without hiring field support staff for the Project.

"Trust Agreements" shall mean the agreements between Unions and employers and or employer associations to govern trust funds contributed on behalf of covered workers for benefits for said workers.

"Union" or "Unions" shall mean the Building and Construction Trades Council of Alameda County and its affiliated local unions Signatory to the Agreement, acting on their own behalf or on behalf of their respective affiliates and member organizations.

ARTICLE 2

PURPOSE

- 2.1 The purposes of this Agreement are to promote efficient construction operations on the Projects, to insure an adequate supply of skilled craftspeople and to provide for peaceful, efficient and binding procedures for settling labor disputes. In so doing, the parties to this Agreement establish the foundation to promote the public interest, to provide a safe work place, to assure high quality construction, to ensure uninterrupted construction Projects, and to secure optimum productivity, on-schedule performance and County satisfaction.
- 2.2 It is the intent of the parties to set out uniform and fair working conditions for the efficient completion of the Projects, maintain harmonious labor/management relations and eliminate strikes, lockouts and other delays.
- 2.3 The parties agree that one of the primary purposes of this Agreement is to avoid the tensions that might arise on the Projects if union and nonunion workers of different employers were to work side by side on the Projects thereby leading to labor disputes that could delay completion of the Projects.
- 2.4 This Agreement is entered into pursuant to and consistent with California Public Contract Code ("PCC") Sections 2500 through 2502. PCC Section 2500(a)(3) requires a public entity PLA to include an agreed-upon protocol concerning drug testing for workers employed on the Projects, as set forth in Article 16.3.

ARTICLE 3

SCOPE OF AGREEMENT

- 3.1 The parties agree that this Agreement will cover all projects undertaken by the County of Alameda with a construction value of \$1 million or more. In addition, the Agreement will cover all projects with a construction value of \$1 million or more which are undertaken on behalf of the County or in circumstances where County is executing projects for Special Districts. The parties further agree that the Board of Supervisors may at their discretion elect to include any project with a value less than \$1 million under the terms of this Agreement.
- 3.2 This Agreement covers all on-site construction, fabrication, demolition, alteration, painting or repair of buildings, structures, landscaping, temporary fencing and other work and related activities that are within the craft jurisdiction of one of the Union(s) and that is part of the work, including site preparation, survey work, and all construction, demolition or improvements required to be performed as a condition of approval by the County.

- 3.3 This Agreement shall apply only to construction/craft employees, performing work on projects represented by the Signatory Unions, and shall not apply to Contractors' supervisors, technical or non-manual employees including, but not limited to, executives, engineers, office and clerical employees, drafters, architects, supervisors, timekeepers, messengers, guards, other employees above the classification of general foreman, inspectors, material testers, and/or x-ray technicians, except to the extent that such inspectors, material testers, and/or x-ray technicians are customarily covered by the MLA and as to which classification a prevailing wage determination has been published.
- 3.4 There shall be no limitation or restriction upon the choice of materials or upon the full use and installation of equipment, machinery, package units, factory pre-cast, prefabricated or preassembled materials, tools or other labor-saving devices. The lawful fabrication provisions of the appropriate national or local agreements shall be applicable. The covered projects include work necessary for the covered projects and/or in temporary yards or areas adjacent to and dedicated to the covered projects, and at any batch plant(s) constructed or used solely to supply materials to the Covered Projects, when those sites or processes are dedicated exclusively to the covered projects.
- 3.5 This Agreement covers all on-site fabrication work over which the County or Contractors possess the right of control (including work done for the covered projects in any temporary yard or area established for the Covered Projects). Additionally, any offsite work, including fabrication, necessary for the Covered Projects defined herein, that is lawfully covered by a current MLA or local addenda to a National Agreement of the applicable Union(s) that is in effect as of the execution of this Agreement shall be considered covered work under this Agreement.
- 3.6 This Agreement shall apply to any start-up, calibration, performance testing, repair, maintenance, operational revisions to systems and/or subsystems performed up to 9 months after Completion by the Contractors. It is understood the County reserves the right to perform any start-up, operation, repair, maintenance or revision of equipment or systems with employees of the County. If required, Contractor's personnel may make a final check and may direct their staff on site to make any necessary repairs to protect the terms of a manufacturer's guarantee or warranty of a piece of equipment.
- 3.7 The on-site installation or application of all items shall be performed by the craft having jurisdiction over such work as set forth under the provisions of this Agreement; provided, however, it is recognized that installation of specialty items which may be furnished by the County or a Contractor shall be performed by construction persons of the vendor or other companies where necessary to protect a manufacturer's warranty. The issue of whether it is necessary to use construction persons of the vendor or other companies to protect the manufacturer's warranty shall be subject to the grievance and arbitration clause of this Agreement.
- 3.8 It is recognized by the parties to this Agreement that the Coordinator designated in Article 9 below, and Contractors are acting only on behalf of said Coordinator and

Contractors, and said Coordinator and Contractors have no authority, either expressed, implied, actual, apparent or ostensible, to speak for or bind the County.

- 3.9 It is expressly agreed and understood that the County retains the right and ability to meet all competitive bidding requirements of public contracting law and to select the lowest responsive and responsible bidder who provides the County with best value within a stipulated sum regardless of union signatory status. Further, the County may, at its sole discretion, end, delay, and/or suspend any or all portions of the work and may combine, consolidate, modify and/or not build any one or more portions of work covered by this Agreement at any time.
- 3.10 It is expressly agreed and understood by the parties hereto that the County shall retain the right at all times to perform and/or subcontract all portions of the construction and related work on project sites not covered by this Agreement.
- 3.11 It is expressly agreed and understood by the parties hereto that the County shall have the right to purchase material and equipment from any source and the craftspersons will handle and install such material and equipment, subject to the requirements of Section 3.6.
- 3.12 Without limiting the foregoing, items specifically excluded from the scope of this Agreement include the following:
 - 3.12.1 The operation of equipment and machinery owned or controlled by the County and its subcontractors and not directly related to construction of covered projects;
 - 3.12.2 All employees of any Contractor or any other consultant of the County not performing construction craft labor within the scope of this Agreement;
 - 3.12.3 Any work performed on or near or leading to or on to the site of work covered by this Agreement and undertaken by state, county, city or other governmental bodies, or their Contractors, or by public utilities or their Contractors, and/or by the County or its Contractors (for work which is not part of the scope of this Agreement).
 - 3.12.4 Off-site maintenance of leased equipment and on-site supervision of such work;
 - 3.12.5 Non-construction support services contracted by the County or any Contractor in connection with covered projects;
 - 3.12.6 All work by employees of the County;
 - 3.12.7 Operations or maintenance work executed by the County;

- 3.12.8. All work on covered projects under any contract entered into prior to the date of this Agreement;
- 3.12.9. All warranty functions, warranty work, corrective work, repair and maintenance work on purchased equipment performed by manufacturers' representatives or vendors after Completion and acceptance of any covered projects by the County; and
- 3.12.10 All Post Disaster and Emergency Work as defined in Article 1.
- 3.13 The Council shall assist the County and its contractors in encouraging and soliciting subcontractors in bidding on all covered projects.

ARTICLE 4

RELATIONSHIP BETWEEN PARTIES

- 4.1 This Agreement shall only be binding on the Signatory parties hereto, and shall not apply to parents, affiliates, subsidiaries, or other divisions of the Coordinator and Signatory Contractors unless signed by such parent, affiliate, subsidiary, or other division of such company.
- 4.2 Each Contractor shall alone be liable and responsible for its own individual acts and conduct and for any breach or alleged breach of this Agreement. Any alleged breach of this Agreement by a Contractor or any dispute between the Signatory Union and the Contractor respecting compliance with the terms of this Agreement, shall not affect the rights, liabilities, obligations and duties between the signatory Union and each other Contractor party to this Agreement.
- 4.3 It is mutually agreed by the parties that any liability by a Signatory Union(s) to this Agreement shall be several and not joint. Any alleged breach of this Agreement by a signatory Union shall not affect the rights, liabilities, obligations and duties between the Signatory Contractors and the other Unions party to this Agreement.

ARTICLE 5

ROLES AND RESPONSIBILITIES

SUBCONTRACTS

- 5.1 Each Contractor, which includes all subcontractors of any tier, including trucking entities performing Covered Work on the Projects, agrees that neither it nor any of its subcontractors will subcontract any work to be done on the Project except to a person, firm, or corporation who is or becomes party to this Agreement by signing the Agreement

to be Bound attached to this Agreement as Exhibit "A". All Contractors performing Covered Work on the Project shall, as a condition to performing work on the Project, become Signatory to and perform all work under the terms of this Agreement.

- 5.2 A Contractor includes any person, firm or corporation who agrees under contract with another Contractor of any tier, to perform on the Project any part or portion of the construction work covered by the prime contract, including the operating of construction equipment, performance of labor and/or installation of materials.
- 5.3 Notwithstanding any other provisions of this Agreement, the Contractor, as appropriate, in conformance with paragraph 3.7 of this Agreement shall have the absolute right to award contracts or subcontracts for this Project notwithstanding the existence or nonexistence of any collective bargaining agreements between the prospective Contractor and any Union party, and provided that such Contractor is willing, ready and able to comply with this Project Stabilization/Community Benefits Agreement and shall execute a Letter of Assent (in the form attached as Exhibit A), should such Contractor be awarded work covered by this Agreement.
- 5.4 The furnishing of supplies, equipment or materials which are stockpiled for later use shall in no case be considered subcontracting and shall be covered to the extent permitted by law. The delivery of ready-mix, asphalt, aggregate, sand or other fill material which are directly incorporated into the construction process as well as the off-hauling of debris and excess fill material and/or mud, shall be covered by the terms and conditions of this Agreement.
- 5.5 Each Contractor with a contract directly with the County has the primary obligation for performance of all conditions of this Agreement, including the performance of all of that Contractor's subcontractors. This obligation cannot be relieved, evaded or diminished by subcontracting. Should a Contractor elect to subcontract, that Contractor shall continue to have such primary obligation.
- 5.6 Each Contractor, which includes all subcontractors of any tier performing work on the Project, shall give written notice to the Union(s) of any subcontract involving the performance of work covered by this Agreement within either five (5) business days of entering such subcontract or before the subcontractor commences work on the Project, whichever occurs first. Such notice shall specify the name and address of the subcontractor, the California State License Board license number of the Contractors and the scope of work to be performed. Written notice at a Pre-Job Conference shall be deemed written notice under this provision only for those subcontractors listed at the Pre-Job Conference.
- 5.7 Signatory Contractors:
 - 5.7.1 With regard to any Contractor that is independently signed to any Master Labor Agreement, this Agreement shall in no way supersede or prevent the enforcement of any subcontracting clause contained in such MLA, except as specifically set

forth in Section 5.7.2 below. Any such subcontracting clause in a MLA shall remain and be fully enforceable between each craft union and its signatory Contractors, and no provision of this Agreement shall be interpreted and/or applied in any manner that would give this Agreement precedence over subcontracting obligations and restrictions that exist between craft unions and their respective signatory Contractors under a MLA, except as specifically set forth in subsection 5.7.2 below.

- 5.7.2 If a craft union ("aggrieved union") believes that an assignment of work for this Project has been made improperly by a Contractor or subcontractor, even if that assignment was as a result of another craft union's successful enforcement of the subcontracting clause in its MLA, as permitted by subsection 5.7.1 above, the aggrieved union may submit a claim under the jurisdictional resolution procedure contained in Article 6 of this Agreement, and the decision rendered as part of that process shall be enforceable to require the Contractor or subcontractor that made the work assignment to assign that work prospectively to the aggrieved union. An award made to a craft union under the subcontracting clause of its MLA, as permitted pursuant to subsection 5.7.1 above, shall be valid and fully enforceable by that craft union unless it conflicts with a jurisdictional award made pursuant to this Agreement. If the award made under the MLA conflicts with the jurisdictional award, the award of damages under the former shall be null and void *ab initio*.

ARTICLE 6

WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES

- 6.1 The following language is specifically agreed to for the resolution of any Jurisdictional Disputes which may arise during the construction which is specifically covered by this Agreement. This agreement regarding resolution of jurisdictional disputes shall apply only to such disputes arising on Covered Projects.
- 6.2 There will be no strikes, no work stoppages, no picketing, sympathy strikes, slow downs or other interferences with the work because of jurisdictional disputes between signatory Unions. Individuals violating this section shall be subject to immediate discharge.
- 6.3 The assignment of Covered Work will be solely the responsibility of the Contractor performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.
- 6.4 All jurisdictional disputes on this Project between or among the Building and Construction Trades Unions and the Contractors, parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department, or any other plan or method of procedure that may be

adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Contractor and Union parties to this Agreement.

6.4.1 For the convenience of the parties, and in recognition of the expense of travel between Northern California and Washington, D.C., at the request of any party to a jurisdictional dispute under this Agreement, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch and Thomas Pagan, and the Arbitrator's hearing on the dispute shall be held at the applicable Building and Construction Trades Council. All other procedures shall be as specified in the Plan.

6.5 All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Contractor's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

6.6 Each Contractor shall conduct a Pre-Job Conference with the Council prior to commencing Covered Work. The Prime Contractor, the County and the Coordinator will be advised in advance of all such conferences and may participate if they wish. Pre-job conferences for different Contractors may be held together.

ARTICLE 7

PRE-JOB CONFERENCE

7.1 A mandatory Pre-Job Conference with each Contractor will be held prior to the commencement of work to establish the scope of work in each Contractor's contract. When a contract has been let to Contractors covered by this Agreement, a Pre-Job Conference and/or Mark-Up Meeting shall be required and shall be held. The parties may mutually agree to waive the requirement to hold a Pre-Job Conference and/or Mark-Up Meeting for any particular contract or contractor. All meetings shall be held at the offices of the Alameda County Building and Construction Trades Council.

7.2 The Contractor performing the work shall have the responsibility for making work assignments in accordance with Section 6.3 of this Agreement, and will be required to bring relevant plans, specifications, and blueprints to the meeting, as requested by Union.

7.3 The Coordinator will schedule and attend all Pre-Job and Mark-Up Meetings and participate in discussions as they pertain to the terms and conditions of this Agreement.

ARTICLE 8

JOINT ADMINISTRATIVE COMMITTEE MEETINGS

- 8.1 The parties to this Agreement will form a five person Joint Administrative Committee (JAC). The Committee will be comprised of two (2) representatives selected by the Council, two (2) representatives selected by the County, and one (1) community representative, nominated by the Board of Supervisors and agreeable to the Council. The parties shall appoint an alternate. The JAC meetings will be convened by the Coordinator and chaired jointly by a representative of the Council and the County, and a quorum shall be three members, including at least one (1) from the County and one (1) from the Council. The purpose of these meetings is to promote harmonious labor/management relations, ensure adequate communications and advance the proficiency and efficiency of the employees and the Contractors for the Covered Projects. The Committee shall also monitor compliance with Article 17 and Article 18. These meetings will also include discussion of the scheduling, productivity and safety of work performed for the Covered Projects.
- 8.2 The JAC shall appoint a Joint Administrative Subcommittee, comprised of one (1) representative of the County and one (1) representative of the Council for the purpose of convening to confer in an attempt to resolve any grievance that has been filed consistent with Article 23. This Subcommittee shall meet as required to resolve grievances by consensus vote. If no resolution can be mutually agreed upon, the grievance shall proceed to the grievance procedure outlined in Article 23, Step 4.
- 8.3 The JAC shall appoint a Joint Administrative Subcommittee, comprised of one (1) representative of the County, one (1) representative of the Council and one (1) representative of a community based organization to resolve any grievance filed consistent with Article 17 or Article 18.
- 8.4 The JAC shall have the initial authority to investigate and resolve by consensus vote any allegation of violations of Articles 19 and 20. If the JAC cannot resolve the allegations, then any signatory party may take the matter directly to final and binding arbitration as described in Article 23.
- 8.5 JAC Meetings
- 8.5.1 The JAC will meet monthly at the call of either chair.
- 8.5.2 The Coordinator will establish agenda topics with input from the Committee and send notices of meetings with the agenda in advance of the meetings.
- 8.5.3 The JAC will receive reports and consider work progress and practices, local hire utilization, Disadvantaged Population utilization, pre-apprentice recruitment, training and referral, and apprentice development and utilization.
- 8.5.4 The Coordinator and the Contractors shall report progress on these issues and provide ongoing workforce projections for their work.

8.6 Joint Administrative Subcommittee Meetings

8.6.1 Both Joint Administrative Subcommittees will meet as required to address grievances/disputes.

8.6.2 The Coordinator will establish agenda topics with input from the Subcommittee and send notices of meetings with the agenda in advance of the meetings.

ARTICLE 9

COORDINATOR

9.1 The County will designate a Coordinator, who will be responsible for the administration and application of this Agreement.

9.2 The Coordinator shall endeavor to facilitate harmonious relations between the Contractors and Unions Signatory hereto and will conduct the Joint Administrative Committee meeting at the request of either joint chair referred to in Article 8 above. The Coordinator shall not be responsible for the acts of the Contractors or Unions Signatory hereto, and will not be a party to any arbitration or litigation arising out of this Agreement.

ARTICLE 10

UNION RECOGNITION AND REPRESENTATION

10.1 The Contractors recognize the Union(s) Signatory hereto as the sole and exclusive collective bargaining representatives for all craft employees on the Project.

10.2 All employees who are employed by the Contractors shall, as a condition of employment, on or before the eighth (8th) day of consecutive or cumulative employment for a construction contract subject to this Agreement, be responsible for the payment of the applicable monthly working dues and any associated fees uniformly required for union membership in the Union(s). However, there is nothing in this Agreement that would prevent non-union employees from joining the Union(s).

10.3 Authorized representatives of the Union(s) shall have access to the Project site at all times when work is being, has been or will be performed. Such representatives shall comply with the reasonable visitor safety and security rules established for the Project. Access for Union(s) representatives will not be unduly restricted.

10.4 The treatment and payment of stewards shall be in accordance with the applicable MLA.

ARTICLE 11

NO STRIKES - NO LOCKOUTS

- 11.1 During the life of this Agreement, the Unions and their members, agents, representatives and employees shall not incite, encourage, condone or participate in any strike, walkout, slowdown, sit-down, stay-in, boycott, wobble, sympathy strike, picketing or other work stoppage or hand-billing on the Covered Projects for any cause whatsoever, or any other type of interference of any kind, coercive or otherwise, and it is expressly agreed that any such action is a violation of this Agreement.
- 11.1.1 Withholding of employees for failure of a Contractor to meet its weekly payroll is not a violation of this Article 11; however, the Union shall submit documentation of the failure to pay to the Coordinator and shall give the affected Contractor and the Coordinator written notice seventy-two (72) hours prior to the withholding of employees.
- 11.1.2 Should a Contractor performing work for this Project be delinquent in the payment of Trust Fund contributions required under this Agreement with respect to employees represented by the Union, the Union may request, that the Contractor issue joint checks payable to the Contractor and the appropriate employee benefit Trust Fund until such delinquencies are satisfied. Any Trust Fund claiming that a Contractor is delinquent in its fringe benefit contributions to the funds will provide written notice of the alleged delinquency to the affected Contractor, with copies to the General Contractor, the Coordinator and the County. The notice will indicate the amount of delinquency asserted and the period that the delinquency covers. It is agreed, however, with respect to Contractors delinquent in trust or benefit contribution payments, that nothing in this Agreement shall affect normal contract remedies available under the local collective bargaining agreements. If the Contractor is delinquent in the payment of Trust Fund contributions for covered work performed for this Project, the Contractor agrees that the affected Trust Fund may place the County on notice of such delinquencies and the Contractor further agrees that the County may issue joint checks to the Contractor and the Trust Fund until the delinquency is satisfied.
- 11.2 Expiration of Local and Other Applicable Agreements. It is specifically agreed that there shall be no strike, sympathy strike, picketing, lockout, slowdown, withholding of work, refusal to work, walk-off, sick-out, sit-down, stand-in, wobble, boycott or other work stoppage of any kind as a result of the expiration of any local, regional or other applicable labor agreement having application on the Project and/or failure of the parties to that agreement to reach a new contract. If a Master Labor Agreement between a Contractor and the Union expires before the Contractor completes the performance of a construction contract and the Union or Contractor gives notice of demands for a new or modified Master Labor Agreement, the Union agrees that it will not strike or withhold labor from the Contractor for said contract for work covered under this Agreement and the Union

and the Contractor agree that the expired collective bargaining agreement shall continue in full force and effect for work covered under this Agreement until a new or modified Master Labor Agreement is reached between the Union and Contractor. If the Union and Contractors agree to an interim agreement that will apply until a new Master Labor Agreement is reached, then, the Contractor may work under the terms of the interim agreement until a new or modified Master Labor Agreement is reached between the Union and Contractor. If the new or modified Master Labor Agreement reached between the Union and Contractor provides that any terms of compensation of the Master Agreement shall be retroactive, the Contractor agrees to comply with any retroactive terms of the new or modified Master Labor Agreement to its effective date which is applicable to employees who performed work for the project during the interim period. Such compliance shall occur within seven (7) days after notification by the Union.

- 11.3 In consideration of the foregoing, the Contractor shall not incite, encourage or participate in any lockout or cause to be locked out any employee covered under the provisions of this Agreement. The term "lockout" does not refer to the discharge, termination or layoff of employees by the Contractor for any reasons in the exercise of its rights as set forth in any provision of this Agreement, nor does "lockout" include the County's or Contractor's decision to terminate or suspend work for the site or any portion thereof for any reason.
- 11.4 Any employee or employees inciting, encouraging or participating in any strike, slowdown, picketing, sympathy strike or other activity in violation of this Agreement may be subject to immediate discharge and the procedure under this Article 11, if invoked.
- 11.5 Upon written or electronic mail notice of a violation to the Local and/or International Union offices, the Union and its officers shall take immediate action and will use its (their) best efforts to prevent, end or avert any such aforementioned activity or the threat thereof by any of its officers, members, representatives or employees, either individually or collectively, including but not limited to, publicly disavowing any such action and ordering all such officers, representatives, employees or members who participate in such unauthorized activity to cease and desist from same immediately and to return to work and comply with its orders. The Contractor shall have the right, in the event of a work stoppage by the Union to replace the employees represented by the Union in violation of this Agreement. Nothing in this Agreement shall be construed to limit or restrict the right of any of the parties to this Agreement to pursue fully any and all remedies available under law in the event of a violation of this Article 11.
- 11.6 Any party to this Agreement may institute the following binding arbitration procedure when such a breach is alleged. In the event a party institutes this procedure, arbitration shall be mandatory.
 - 11.6.1 The party invoking this procedure shall immediately notify Robert Hirsch, who the parties agree shall be the permanent Arbitrator under this procedure. Thomas Angelo shall serve as alternate in the event that the permanent Arbitrator is unavailable at any time. Notice to the Arbitrator shall be by the most expeditious

means available, with written notice by email or similar means to the party alleged to be in violation and the involved Union General President.

- 11.6.2 Upon receipt of said notice the Arbitrator named above or the alternate shall designate a place for, schedule and hold a hearing within twenty-four (24) hours.
- 11.6.3 The Arbitrator shall notify the parties by electronic mail or similar means of the place and time chosen for the session. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an award by the Arbitrator.
- 11.6.4 The sole issue at the hearing shall be whether or not a violation of this Article has in fact occurred, and the Arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation or to award damages, which issue is reserved for court or other arbitration proceedings, if any. The award shall be issued in writing within three (3) hours after the close of the hearing and may be issued without a written opinion. If any party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the award. The Arbitrator shall order cessation of the violation of this Article and other appropriate relief, and such award shall be served on all parties by hand or registered mail upon issuance.
- 11.6.5 Liquidated Damages. A party found to have violated the provisions of the No Strike-No Lockout section in this Article 11 shall cease such violation within eight (8) hours of the award of the Arbitrator. Should the violation continue past eight (8) hours, the party in violation shall pay to the affected party as liquidated damages either the actual damages incurred or the sum of ten thousand dollars (\$10,000.00) per shift, or portion thereof, whichever is greater, until such violation is ceased. The Arbitrator shall retain jurisdiction to resolve any disputes regarding the liquidated damages claimed under this section.
- 11.6.6 The award shall be final, binding and non-reviewable as to the merits. A judgment of any court of competent jurisdiction shall be entered upon the award, which may be enforced by any such court, upon the filing of this Agreement and all other relevant documents referred to hereinabove in the following manner. Electronic mail or similar notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the Arbitrator's award as issued under subsection 11.6.4 of this Article, all parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any party's right to participate in a hearing for a final order of enforcement. The Court's order or orders enforcing the Arbitrator's award shall be served on all parties by hand or by delivery to their last known address or by registered mail.

- 11.6.7 Any rights created by statute or law governing arbitration or injunction proceedings inconsistent with the above procedure, or which interfere with compliance therewith, are hereby waived by the parties to whom they accrued.
- 11.6.8 The costs of the arbitration, including the fee and expenses of the Arbitrator, shall be borne equally by the affected Union(s) and the affected Contractors.
- 11.6.9 The procedures contained in this Section 11.6 shall be applicable only to alleged violations of this Article. Discharge or discipline of employees for violation of this Article shall be subject to the grievance and arbitration procedures of Article 23.

ARTICLE 12

MANAGEMENT RIGHTS

- 12.1 The Contractor retains full and exclusive authority for the management of their work forces for all work performed under this Agreement. This authority includes, but is not limited to, the right to:
 - 12.1.1 Plan, direct and control the operation of all the work.
 - 12.1.2 Decide the number and types of employees required to perform the work safely and efficiently. The lawful manning provisions of the applicable Master Collective Bargaining Agreement shall be recognized.
 - 12.1.3 Hire, promote and layoff employees as deemed appropriate to meet work requirements and/or skills required.
 - 12.1.4 Require all employees to observe the County's Project Rules, the Contractor's Project Rules, Security and Safety Regulations, consistent with the provisions of this Agreement. The Contractor's and County's Project Rules and Regulations shall be reviewed and mutually agreed upon at the Pre-Job meeting and supplied to all employees and/or posted on the jobsite.
 - 12.1.5 Discharge, suspend or discipline employees under the applicable MLA.
 - 12.1.6 Assign and schedule work at its sole discretion and determine when overtime will be worked consistent with this Agreement and the applicable MLA.
 - 12.1.7 Utilize any work methods, procedures or techniques and select and use any type or kind of materials, apparatus or equipment regardless of source, manufacturer or designator and in accordance with this Agreement, which covers the fabrication provisions and any other conflicts that are addressed in this Agreement.

- 12.2 The foregoing listing of management rights shall not be deemed to exclude other functions not specifically set forth herein. The Contractors, therefore, retain all legal rights not specifically enumerated in this Agreement.

ARTICLE 13

WORK RULES

- 13.1 Work Rules shall be governed by the applicable MLA for each craft.

ARTICLE 14

WAGE SCALES and FRINGE BENEFITS

- 14.1 All employees covered by this Agreement shall be classified and paid in accordance with the classification and wage scales contained in the appropriate MLAs which have been negotiated by the historically recognized bargaining parties and in compliance with the applicable general prevailing wage determination made by the Director of Industrial Relations pursuant to the California Labor Code.
- 14.2 For the duration of its work on this Project, the Contractors agree to recognize and put into effect such increases in wages and recognized fringe benefits as shall be negotiated between the various Union(s) and the historically recognized local bargaining parties on the effective date as set forth in the applicable MLA. The Union(s) shall notify the Contractors in writing of the specific increases in wages and recognized fringe benefits and the date on which they become effective.
- 14.3 The Contractors hereby adopt and agree to be bound by the written terms of the legally established Trust Agreements specifying the detailed basis on which payments are to be made into, and benefits paid out of, such appropriately qualified employee fringe benefit funds established by such appropriate Trust Agreements. The Contractors authorize the parties to such Trust Agreements to appoint Trustees and successor Trustees to administer the trust funds, and hereby ratify and accept the Trustees so appointed as if made by the Contractors.
- 14.4 If a Contractor fails to pay wages or benefits, the County agrees to honor a properly submitted, legally enforceable Stop Payment Notice.

ARTICLE 15

HOURS OF WORK, OVERTIME, SHIFTS and HOLIDAYS

- 15.1 The hours of work, establishment of overtime and the establishment of shifts and shift pay shall be governed by the applicable MLA for each craft and in accordance with the current General Prevailing Wage Determination made by the Director of Industrial Relations pursuant to the California Labor Code. It is understood that the County may, at its discretion, establish a uniform starting time and/or ending time.
- 15.2 Holidays and designated days off will be in compliance with the applicable General Prevailing Wage Determination made by the Director of Industrial Relations pursuant to the California Labor Code, unless otherwise set forth in the MLA.

ARTICLE 16

HEALTH AND SAFETY

- 16.1 The employees covered by the terms of this Agreement shall at all times, while in the employ of the Contractor, be bound by the safety rules and regulations as established by the County and Contractors and in accordance with OSHA/Cal-OSHA. These rules and regulations will be published and posted at conspicuous places throughout the Project site.
- 16.2 In accordance with the requirements of OSHA/Cal-OSHA, it shall be the exclusive responsibility of each Contractors working on the Project to assure safe working conditions for its employees and compliance by them with any safety rules contained herein or established by the Contractors or the County. Nothing in this Agreement shall in any way be construed to make the Union(s), the County, liable for safety violations on the Project.
- 16.3 The parties agree to abide by the substance abuse policies contained in the applicable MLA, subject to the Article 12. Should the County decide that there is a need for an OCIP on a Covered Project, the parties mutually agree to the side letter attached.

ARTICLE 17

LOCAL HIRING PROGRAM

- 17.1 The Parties agree to achieve the inclusion of Residents in the employment and apprenticeship opportunities created by the Covered Work, which will be known as the Local Hiring Program (LHP). With day-to-day support from the Coordinator, the Joint

Administrative Committee (JAC) formed pursuant to the provisions of Article 8 shall monitor the progress of the LHP and will serve as the central forum for representatives of all interested or affected parties to exchange information and ideas and to advise the County staff and the Coordinator concerning the operation and results of the LHP and the ongoing role of this Project Stabilization/Community Benefits Agreement as an integral component of LHP. As part of these responsibilities, the JAC will assess the obstacles to success of achieving inclusion of local Residents in the construction opportunities and shall make recommendations for a program to overcome some of those obstacles.

- 17.2 The parties agree to a goal that Residents of the County will perform up to 40 percent (40%) of all hours worked on all covered projects, on a craft-by-craft basis, if such workers are available, capable and willing to work on the projects, together with the apprentice goals established in Article 18, below.
- 17.3 The Contractors shall make good faith efforts to reach these goals, as described in Article 17.4 below and to reach these goals working through the normal hiring hall procedures listed in the MLA and the procedures identified in Article 18.4 and the County and Unions shall make good faith efforts to assist the Contractor in reaching this goal. In cases of alleged noncompliance, the issue may be referred to the Coordinator and then to the JAC for resolution. If the JAC can make no resolution, the issue may then be referred to Step 4 of Section 23.2.2 of the grievance procedure described in Article 14 for submission to an arbitrator for a final and binding determination. For purposes of resolution of any dispute arising under this Section or Article 18.4, the County shall be considered a party-in-interest with full right of participation in the arbitration proceeding.
- 17.4 The Contractors must take, and require their subcontractors to take, the following good faith steps to demonstrate that they have made every effort to reach the Local Hiring Goals:
- 17.4.1. The Contractors shall attend the scheduled pre-job meetings identified in Article 7. At this meeting, the Contractor must submit written workforce projections and projected man-hours on a craft-by-craft basis, consistent with the Contractor's bid proposal. In the event the pre-job meeting is waived, the Contractor must submit written workforce projections to the Coordinator within five (5) days.
- 17.4.2 Within one week of the issuance of the Notice to Proceed, the Contractors shall meet with the Coordinator to review and approve its compliance plan for reaching the Local Hiring Goals, using the required compliance plan form provided by the County.
- 17.4.3 The Contractors shall submit copies of hiring hall dispatch requests and responses to the Coordinator within ten (10) days of Coordinator's request at any point during the execution of the Project.
- 17.4.4 The Contractors shall immediately contact the Coordinator if a union hiring hall dispatcher will not or cannot, upon request of the Contractor, dispatch local

Residents.

- 17.4.5 The Contractors shall use the "Name Call," "Rehire" or other available hiring hall procedures to reach goals and shall provide documentation of such requests to the Coordinator upon request per subsection 17.4.3.
- 17.4.6 The Contractors shall use community based organizations as a resource for local labor resources, if a union will not or cannot provide local Residents as requested, and in conformity with the collectively bargained union hiring hall agreement.
- 17.4.7 The Contractors shall sponsor local Residents as defined herein for apprenticeship, when possible.
- 17.4.8 The Contractors shall maintain records for each Resident of Alameda County who was referred but not hired along with an explanation why the worker was not hired. Upon request, such records shall be made available for review by the County, Coordinator, and JAC for the duration of the Covered Projects.
- 17.4.9 The Contractors shall document participation in any local employment training programs and submit documentation of such to the Coordinator within ten (10) days if requested by Coordinator.
- 17.5 The Unions will exert their utmost efforts to recruit sufficient numbers of skilled craft persons who are Residents to fulfill the requirements of the Contractors. The parties to this Agreement support the development and placement of increased numbers of skilled construction workers from the Residents within the County to meet the needs of the covered project and the requirements of the industry generally.
- 17.6 To the extent possible, the parties agree to implement the Local Hiring Program while complying with the County's Local Vendor Preference and Enhanced Construction Outreach (ECOP) programs for the covered project. To the extent that the County determines, in its sole discretion, that there is a conflict between the Local Hiring Program established in this Agreement and the County's SLEB, ECOP, and/or Local Vendor Preference Programs, the conflict shall be resolved in favor of the Local Hiring Program on the construction work covered by this Agreement.
- 17.7 For the purposes of reaching the goal established in Article 17.2, a Contractor may qualify for full credit toward the goal by employing Alameda County Residents for other work the Contractor is performing in any of the nine Bay Area counties of: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Marin, Solano, Napa and Sonoma. Credit will only be given for work performed during the life of the Covered Project. In order to receive such credit, the Contractor must submit certified payrolls as documentation to the Coordinator. No credit for off-site work will be allowed until the Contractor has demonstrated a good faith effort to reach the goal on the Covered Projects and has received approval from the JAC.

ARTICLE 18

APPRENTICES

- 18.1 Recognizing the need to maintain continuing support of programs designed to develop adequate numbers of competent apprentice workers in the construction industry, the Contractors will make a good faith effort to employ apprentices in the respective crafts to perform such work as is within their capabilities and which is customarily performed by the craft in which they are indentured.
- 18.2 For the purpose of meeting the goals of this Article 18, the parties recognize State-approved apprenticeship training programs administered by Joint Labor/Management Apprenticeship Training Committees (JATC) as the sole source for an eighteen month trial period. If after the eighteen month trial period, it has been demonstrated that the JATCs are unable to provide sufficient Residents to meet the established goals, the parties to this agreement will meet to negotiate implementation strategies to meet the established goals. If resolution is not reached within six months, then the parties may refer the item to the grievance procedure as outlined in Article 23.
- 18.3 The Signatory parties agree that the County shall make available to the Unions a database of apprentices qualifying under the local hiring provisions of this Agreement. The Signatory Unions agree to report in accordance within any limits set by applicable labor law, the availability and dispatch/placement of qualifying apprentices. The reports will be submitted to the Coordinator on at least a quarterly basis and more often, if requested and possible.
- 18.4 For each Covered Project, the Contractors will be responsible to ensure that it and/or its subcontractors hire at least one (1) new apprentice for the first \$1 million of construction value and for each succeeding \$5 million of construction contract value, the Contractors and/or their subcontractors will be required to hire at least one (1) additional new apprentice. All such apprentices may be graduates of pre apprenticeship programs with a known and successful track record of apprentice placement into jobs. All the pre apprenticeship program graduates must be Residents of Alameda County and members of a Disadvantaged Population, as described in Article 1.
- 18.4.1 Contractors will make a good faith effort to maximize the project work hours for the new hire apprentices, and shall report those hours to the JAC, which will evaluate those good faith efforts.
- 18.4.2 Each Signatory Union will be responsible for dispatching/referring such County Residents to the contractor if they are available, capable and willing to work on the Covered Projects. No one trade can be used to satisfy the goal by the provision of more than two (2) such first stage apprentices, unless required by the nature of the work and or agreed upon by the JAC.

- 18.4.3 The Signatory Unions and Contractors shall exercise, to the extent of their authority, their best efforts to recruit apprenticeship program applicants from Residents and who are members of a Disadvantaged Population, as defined in Article 1. Further, for apprentices hired to comply with Article 18.4, there will be no limitation on where such apprentices will work subsequent to being hired for the Covered Projects. Contractors will be allowed to receive credit for Article 18.4 when utilizing apprentices for non-Project work during the life of the Covered projects, regardless of the location of the work as long as it is in the nine (9) Bay Area counties described in Article 18.4.5.
- 18.4.4 The Contractor shall request dispatch of apprentices in writing from the local Unions and/or Joint Apprenticeship Training Committee in which the Contractor participates. Copies of the written requests shall be provided to the Coordinator within ten (10) days of request by the Coordinator. The Unions shall honor all Contractor dispatch requests for such Apprentices.
- 18.4.5 For the purposes of meeting the goal established in Section 18.4, a Contractor may qualify for full credit toward the goal by employing Alameda County Residents as apprentices for other work the Contractor is performing in any of the nine Bay Area counties of: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, Marin, Solano, Napa and Sonoma. Credit will only be given for work performed during the life of the Covered projects. In order to receive such credit, the Contractor must submit certified payrolls as documentation to the Coordinator. No credit for non-Covered Projects work will be allowed until the Contractor has demonstrated a good faith effort to reach the goal on the Covered projects and has received approval from the JAC.
- 18.5 The Unions will cooperate with the County, the Contractors, and the Coordinator in conducting outreach activities to recruit and refer qualified Alameda County Resident applicants to apprenticeship programs. In addition, the Unions will work with designated pre-apprenticeship programs to promote graduates and enhance their entry into the Apprenticeship programs.
- 18.6 To the extent permitted by law and the JATC requirements, the Unions will give credit to bona fide, provable past experience to applicants, including work for non-union Contractors who become signatory to the PS/CBA. The experience and practical knowledge of applicants will be reviewed and tested by the applicable Joint Apprenticeship Training Committee. Applicants will be placed at the appropriate stage of apprenticeship or journey level as the case may be. Final decisions will be the responsibility of the applicable Joint Apprenticeship Training Committee.

ARTICLE 19

REFERRAL PROCESS

- 19.1 The Union(s) shall be the primary source of all craft labor employed on the Project. However, in the event that a Contractor has its own core workforce, the Contractors may request by name, and the Union(s) shall honor, referral of persons who have applied to the local union for Project work and who demonstrate the following qualifications ("Core Employees"):
- 19.1.1 possess any license and/or certifications required by state or federal law for the Project work to be performed;
 - 19.1.2 have worked a total of at least one thousand (1,000) hours in the construction craft during the prior three (3) years;
 - 19.1.3 were on the Contractors' active payroll for at least sixty (60) out of the one hundred forty (140) calendar days prior to the contract award; and
 - 19.1.4 have the ability to perform safely the basic functions of the applicable trade.
 - 19.1.5 be a resident of Alameda County at least six months prior to the hire date.
- 19.2 In the case of a Sole Proprietor/Owner Operator that is self-performing work, this Sole Proprietor/Owner Operator is not required to request a dispatch from the union hall. Sole Proprietors/Operators must be certified as such by some public agency acceptable to the County and the affected signatory unions. If the Sole Proprietor/Owner Operator hires employees subsequent to starting work on Covered Projects, all such employees would need to be requested from the union hall as described in subsection 19.3 below
- 19.3 The Union(s) will first refer to such Contractors one journeyman employee from the hiring hall out-of-work list for the affected trade or craft, and will thereafter refer one of such Contractors' "core" employees as a journeyman and shall repeat the process, one and one, until such Contractors' crew requirements are met or until such Contractors have hired no more than five (5) Core Employees, whichever occurs first. Thereafter, all additional employees shall be hired exclusively from the Union(s)' hiring hall out-of-work list(s). For the duration of the Contractors' work the ratio shall be maintained and when the Contractors' workforce is reduced, Employees shall be laid off in the same ratio of core employees to hiring hall referrals as was applied in the initial hiring. Contractors signatory to a Local, Regional, and/or National collective bargaining agreement(s) with Signatory Union(s) hereto shall be bound to use the hiring hall provisions contained in the relevant MLA of the affected Union(s), and nothing in the referral provisions of this Agreement shall be construed to supersede the local hiring hall provisions of the MLAs as they relate to such Contractors.

- 19.4 For purposes relating to "Owner/Operators" used for the hauling of workers and materials, including water or oil. It is agreed that the Owner/Operator doing such hauling work may be dispatched to the job first (as a core employee) provided that such Owner/Operator has complied with and completed all registration requirements with the Union prior to dispatch.
- 19.5 All Contractors shall be bound by and utilize the registration facilities and referral systems established or authorized by the Signatory Union(s) so long as such procedures are in compliance with applicable federal, state or local law. The Contractor shall have the right to determine the competency of all employees and may reject any referral for any reason, provided that the Contractor complies with Article 22, Non-Discrimination, and in accordance with the applicable MLA.
- 19.6 In accordance with the Master Labor Agreement and in the event that referral facilities maintained by the Union(s) are unable, despite good faith efforts, to fill the request of a Contractor for employees within a forty-eight (48) hour period after such request is made by the Contractor, Saturdays, Sundays and Holidays excluded, the Contractor shall be free to obtain work persons from any source ("Alternative Employees"). Upon hiring Alternative Employees, the Contractor shall immediately notify the appropriate Union(s) of the name and address of the Alternative Employees hired, which Alternative Employees shall be bound by the provisions of this Article and the Union(s)' hiring hall rules.
- 19.7 The Union(s) will exert their utmost efforts to recruit sufficient numbers of skilled craft persons to fulfill the requirements of the Contractors. The parties to this Agreement support the development of increased numbers of skilled construction workers from the Residents of Alameda County to meet the needs of the Project and the requirements of the industry generally. Accordingly, contingent upon request by the Contractor, the Unions agree to encourage the referral and utilization of Residents as journeyman and apprentices on the Project and the entrance of Residents into apprenticeships and training programs, as long such Residents possess the requisite skills and qualifications.

ARTICLE 20

DATA COLLECTION AND REPORTING

- 20.1 This article describes data collection, reporting guidelines and responsibilities for parties signatory to the PSCBA.
- 20.2 The County shall be responsible for collecting and maintaining accurate data on the availability of the Disadvantaged Population Residents available, capable and willing to work on Projects. This data will be made available and accessible to the Union.
- 20.3 On a monthly basis, Contractors must submit reports on the status and progress of local hiring on a craft by craft basis, including utilization of apprentices.

- 20.4 The signatory Unions agree to report in accordance with any limits set by applicable labor law, the availability and dispatch/placement of apprentices. These reports will be submitted to the Coordinator on at least a quarterly basis and more often, if requested and possible.
- 20.4.1 In advance of pre-job meetings, the Union shall assist the Coordinator with developing a current list of Disadvantaged Population first stage apprentices available to work on the project.
- 20.4.2 At pre-job meetings, the Coordinator shall supply contractors with a current list of Disadvantaged Population apprentices and their status of completion of their apprenticeship.
- 20.4.3 On a quarterly basis, the Union shall provide the County and Coordinator a report on the status of Disadvantaged Population apprentices, including but not limited to their placement and advancement
- 20.5 On an annual basis, the Union, County and Coordinator shall provide a report for the Board of Supervisor's review as described and required in Article 27.1. This report shall include but not be limited to the local hiring and apprentice goal performance, as well as challenges and benefits of the PSCBA.

ARTICLE 21

HELMETS TO HARDHATS: VETERAN EMPLOYMENT

- 21.1 The Contractors and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The Contractors and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center) and Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the Contractors and the Unions.
- 21.2 The Unions and Contractors agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on the Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans for bona fide, provable past experience.
- 21.3 The Contractors may also utilize the services of the "Swords to Ploughshares" program.

ARTICLE 22

NON-DISCRIMINATION

- 22.1 The Unions and Contractors shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, actual or perceived sexual orientation, national origin, age, religion, political affiliation, or membership or non-membership in labor organization union activity, military veteran status, and disability as identified in the Americans With Disabilities Act, or any other basis recognized by law.

ARTICLE 23

GRIEVANCE PROCEDURE

- 23.1 All disputes concerning the interpretation and/or application of this Agreement that do not fall within the Article 11 No-Strike/No-Lockout procedure, Article 6 Work Assignments and Jurisdictional Disputes, Article 17 Local Hiring Program, or Article 18 Apprentices, shall be governed by the following grievance and arbitration procedure.
- 23.2 Grievances between one or more Union(s) and one or more Contractor regarding interpretation and/or application of this Agreement shall be pursued according to the following provisions:
- 23.2.1 A grievance shall be considered null and void if not brought to the attention of the Contractors or the Union(s) within ten (10) working days after the grievance is alleged to have occurred but in no event more than thirty (30) days after the charging party became aware of the event giving rise to the dispute.
- 23.2.2 Grievances between one or more Union(s) and one or more Contractors regarding provisions of this Agreement shall be settled or otherwise resolved according to the following Steps and provisions:
- Step 1: The Contractors or the Union(s)' representative and the grievant shall attempt to resolve the grievance with the craft supervisor or Steward.
- Step 2: In the event the matter remains unresolved in Step 1 above, within five (5) working days, the grievance shall be reduced to writing and may then be referred by the Contractors or Union(s) to the grievant for discussion and resolution.
- Step 3: In the event that the representatives are unable to resolve the dispute within the five (5) working days after its referral to Step 2, either involved party may submit it within five (5) working days to the Joint Administrative Subcommittee, established in Section 10.2, which shall meet within five (5)

working days after such referral (or such longer time as is mutually agreed upon by the representatives on the Joint Administrative Subcommittee) to confer in an attempt to resolve the grievance. Regardless of which party has initiated the grievance proceeding, prior to the meeting of the Joint Administrative Subcommittee, the Union shall notify its international union representative(s), which shall advise both parties if it intends on participating in the meeting. The participation by the International Union Representative in this Step 3 meeting shall not delay the time set herein for the meeting, unless otherwise mutually agreed by the parties. Decisions by the Joint Administrative Subcommittee shall be by majority vote with such resolutions to be final and binding on all signatories of the Agreement. If the dispute is not resolved by the Joint Administrative Subcommittee, it may be referred within five (5) working days by either party to Step 4.

Step 4: In the event the matter remains unresolved in Step 3, either Party may request, within five (5) working days, that the dispute be submitted to arbitration. The time limits set out in this procedure may, upon mutual agreement, be extended. Any request for arbitration, request for extension of time limits, and agreement to extend such time limits shall be in writing.

Step 5: Within seven (7) calendar days after referral of dispute in Step 4, the parties shall choose an arbitrator for final and binding arbitration. The parties agree that an arbitrator shall be selected by the alternate striking method from the following list. The party who shall strike the first name shall be selected by the toss of a coin (1) Carol Isen (2) Barbara Kong-Brown (3) Thomas Angelo (4) Robert Hirsch (5) William Ricker. Should a Party to the procedure fail or refuse to participate in the hearing, if the Arbitrator determines that proper notice of the hearing has been given, said hearing shall proceed to a default award. The Arbitrator's award shall be final and binding on all Parties to the arbitration. The costs of the arbitration, including the arbitrator's fee and expenses, shall be borne equally by the Parties. The Arbitrator's decision shall be confined to the question(s) posed by the grievance and the Arbitrator shall not have authority to modify, amend, alter, add to, or subtract from, any provisions of this Agreement.

23.3 Grievances raised by County against one or more Union(s) and/or the Building Trades Council, or against the County by one or more Union(s) and/or the Building Trades Council, regarding provisions of this Agreement, shall be settled or otherwise resolved according to the following Steps and provisions:

23.3.1. A grievance shall be considered null and void if not brought to the attention of the County or the Union(s) within ten (10) working days after the grievance is alleged to have occurred but in no event more than ten (10) days after the charging party became aware of the event giving rise to the dispute.

- Step 1: The County/Union(s) Joint Administrative Subcommittee shall attempt to resolve the grievance. The County/Union(s) Joint Administrative Subcommittee shall meet within five (5) working days after receipt of the grievance (or such longer time as is mutually agreed upon by the representatives on this Joint Administrative Subcommittee) to confer with regard to the grievance. Decisions by the Joint Administrative Subcommittee shall be by majority vote with such resolutions to be final and binding on all signatories of the Agreement. If the dispute is not resolved by the Joint Administrative Subcommittee, within the five (5) working days after meeting on the grievance, either involved party may proceed to Step 2.
- Step 2: In the event the matter remains unresolved pursuant to Step 2, either Party may request that the dispute be submitted to arbitration. The time limits set out in this procedure may, upon mutual agreement, be extended. Any request for arbitration, request for extension of time limits, and agreement to extend such time limits shall be in writing.
- Step 3: Within seven (7) calendar days after referral of dispute in Step 2, the parties shall choose an arbitrator for final and binding arbitration. The parties agree that an arbitrator shall be selected by the alternate striking method from the following list. The party who shall strike the first name shall be selected by the toss of a coin (1) Carol Isen (2) Barbara Kong-Brown (3) Thomas Angelo (4) Robert Hirsch (5) William Ricker. Should a Party to the procedure fail or refuse to participate in the hearing, if the Arbitrator determines that proper notice of the hearing has been given, said hearing shall proceed to a default award. The Arbitrator's award shall be final and binding on all Parties to the arbitration. The costs of the arbitration, including the arbitrator's fee and expenses, shall be borne equally by the Parties. The Arbitrator's decision shall be confined to the question(s) posed by the grievance and the Arbitrator shall not have authority to modify amend, alter, add to, or subtract from, any provisions of this Agreement.
- 23.4 Where an issue is addressed in this Agreement and an MLA, this Agreement shall prevail. Where an issue is addressed in an MLA and not in this Agreement, the MLA shall control.
- 23.5 Grievances between a Union(s) and a Union(s)' signatory contractor involving interpretation or application of the Master Agreement shall be governed by the grievance procedures contained in the Master Agreement.

ARTICLE 24

MISCELLANEOUS PROVISIONS

- 24.1 Counterparts. This Agreement may be executed in counterparts, such that original signatures may appear on separate pages, and when bound together all necessary signatures shall constitute an original. Facsimile signature pages transmitted to other parties to this Agreement shall be deemed equivalent to original signatures.
- 24.2 Warranty of Authority. Each of the persons signing this Agreement represents and warrants that such person has been duly authorized to sign this Agreement on behalf of the party indicated, and each of the parties by signing this Agreement warrants and represents that such party is legally authorized and entitled to enter into this Agreement.
- 24.3 Ratification by Governing Board. This Agreement shall not be binding on the County until it is ratified by the Board of Supervisors.

ARTICLE 25

ENTIRE AGREEMENT

- 25.1 This Agreement represents the complete understanding of the parties. The provisions of this Agreement, including the MLAs, shall in every instance exclusively apply to and control work performed on the Project. The provisions of this Agreement shall take precedence over provisions of local, area, regional or national labor agreements. Nothing contained in the MLAs, working rules, by-laws, constitution and other similar documents of the Unions, shall in any way affect, modify or add to this Agreement unless otherwise specifically indicated in this Agreement or mutually agreed to in writing and executed by the parties. Practices not part of the terms and conditions of this Agreement shall not be recognized.
- 25.2 The Unions agree that this Agreement covers all matters affecting wages, hours and other terms and conditions of employment, and that during the terms of this Agreement, neither the Contractors, nor the Unions will be required to negotiate on any further matters affecting these or any other subject not specifically set forth in this Agreement except by mutual agreement of the Unions involved and the County.
- 25.3 The parties to this Agreement understand and agree that nothing in this Agreement shall supersede or take precedence over any Board policy or requirement including, but not limited to, the construction contract, contract documents, project manual, and general conditions for the Project.
- 25.4 Provisions negotiated into any new or modified MLA which are less favorable to the Contractor shall not apply to work covered by this Agreement. Any disagreement between the parties regarding the application of the provisions of any new or modified

MLA shall be resolved under the dispute and grievance arbitration procedures set forth in Article 23.

- 25.5 This Agreement may be executed in counterparts, such that the original signatures may appear on separate pages and when bound together all necessary signatures shall constitute an original. Facsimile signature pages transmitted to other parties to this Agreement shall be deemed the equivalent to original signatures.

ARTICLE 26

GENERAL SAVINGS CLAUSE

- 26.1 It is not the intention of the parties to violate any laws governing the subject matter of this Agreement. If any Article or provision of this Agreement shall be declared invalid, inoperative, or unenforceable by any competent authority of the executive, legislative, judicial or administrative branch of the federal, state or local government, the parties shall suspend the operation of each such article or provision during the period of invalidity. Such suspension shall not affect the operation of any provision covered in this Agreement to which the law or regulation is not applicable. Further, parties agree that if and when any or all provisions of this Agreement are finally held or determined to be illegal or void by a Court of competent jurisdiction, the parties will promptly enter into negotiations concerning the substance affected by such decision for the purpose of achieving conformity with the requirements of an applicable law and the intent of the parties hereto.

ARTICLE 27

DURATION OF AGREEMENT

- 27.1 This Agreement shall become effective on the day the County Board of Supervisors ratifies this Agreement and shall continue in full force and effect for 3 years. In the event that either party wishes to amend, modify or otherwise alter this Agreement at the end of three (3) years, written notice shall be delivered between sixty (60) and thirty (30) days prior to expiration. If neither party provides said written notice, this Agreement shall remain in effect for an additional two (2) years. At the end of a total of five (5) years, if parties so desire they may enter negotiations for a new Agreement or an extension to be determined. There shall be an annual report with a presentation to the County Board of Supervisors prepared by the General Services Agency in collaboration with other applicable County Departments.

SIGNATURES

County of Alameda

By: _____
President, Board of Supervisors

Approved as to Form:
Donna R. Ziegler, County Counsel

By: Cecily Braman
Deputy County Counsel

Building & Construction Trades Council of Alameda County:

By: Andreas Churver
Andreas Churver, Secretary-Treasurer

Signatory Unions:

Asbestos Workers, Local 16

By: Paul Brown

Boilermakers, Local 549

By: Michael J. [Signature]

Bricklayers & Allied Craftsmen, Local 3

By: Greg [Signature]

Northern California Carpenters
Regional Council (on behalf of Carpenters,
Local 713, Carpenters, Local 2236, Lathers,
Local 68L, Millwrights, Local 102,
File Drivers, Local 34)

By: [Signature]

Cement Masons, Local 300

By: [Signature]

Electrical Workers, Local 595

By: [Signature]

Elevator Constructors, Local 8

By: _____

Hod Carriers, Local 166

By: [Signature]

Iron Workers, Local 378

By: [Signature]

Laborers, Local 67

By: [Signature]

Laborers, Local 304

By: [Signature]

Operating Engineers, Local 3

By: _____

Plasterers, Local 66

By: [Signature]

Roofers, Local 81

By: [Signature]

Sheet Metal Workers, Local 104

By: [Signature]

Sign Display, Local 510

By: _____

Sprinkler Fitters, Local 483

By: [Signature]

Teamsters, Local 853

By: [Signature]

United Association of Journeymen and
Apprentices Fitting Industry, Underground
Utility & Landscape, Local 355

By: [Signature]

Cement Masons, Local 300	By: _____
Electrical Workers, Local 595	By: <u><i>John K. Lee</i></u>
Elevator Constructors, Local 8	By: _____
Hod Carriers, Local 166	By: <u><i>Carl Nelson</i></u>
Iron Workers, Local 378	By: <u><i>Jeff [unclear]</i></u>
Laborers, Local 67	By: <u><i>[unclear]</i></u>
Laborers, Local 304	By: <u><i>Thomas [unclear]</i></u>
Operating Engineers, Local 3	By: _____
Plasterers, Local 66	By: _____
Roofers, Local 81	By: <u><i>Douglas Ziegler</i></u>
Sheet Metal Workers, Local 104	By: <u><i>Tom [unclear]</i></u>
Sign Display, Local 510	By: <u><i>Joseph B. Toback</i></u>
Sprinkler Fitters, Local 483	By: _____
Teamsters, Local 853	By: _____
United Association of Journeymen and Apprentices Fitting Industry, Underground Utility & Landscape, Local 355	By: <u><i>Miguel [unclear]</i></u>

United Association of Steamfitters,
Pipefitters, Plumbers, & Gas
Fitters, Local 342

By: Marcus Hammond

District Council No. 16 Northern
California International Union of
Painters & Allied Trades (on behalf of
Auto & Marine Painters, Local 1176,
Carpet & Linoleum Layers, Local 12,
Glaziers, Architectural Metal
& Glassworkers, Local 169,
Painters & Tapers, Local 3

By: _____

EXHIBIT A (Letter of Assent)

PROJECT STABILIZATION/COMMUNITY BENEFITS AGREEMENT

for the

COUNTY OF ALAMEDA

CONTRACTOR AGREEMENT TO BE BOUND

The undersigned, as a Contractor or Subcontractor (CONTRACTOR) on the County of Alameda, (hereinafter PROJECTS), for and in consideration of the award to it of a contract to perform work on said PROJECTS, and in further consideration of the mutual promises made in the "Project Stabilization/Community Benefits Agreement for the County of Alameda Project" (hereinafter AGREEMENT), a copy of which was received and is acknowledged, hereby:

- (1) Accepts and agrees to be bound by the terms and conditions of the AGREEMENT, together with any and all amendments and supplements now existing or which are later made thereto;
- (2) The CONTRACTOR agrees to be bound by the legally established local trust agreements as set forth in Article 14 of this AGREEMENT.
- (3) The CONTRACTOR authorizes the parties to such local trust agreements to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the CONTRACTOR;
- (4) Certifies that it has no commitments or agreements which would preclude its full and complete compliance with the terms and conditions of said AGREEMENT.
- (5) Agrees to secure from any CONTRACTORS (as defined in said AGREEMENT) which is or becomes a Subcontractor (of any tier) to it, a duly executed Agreement to be Bound in form identical to this document.

Dated: _____

(Name of Contractor)

(Name of Prime Contractor or Higher Level Subcontractor)

(Authorized Officer & Title)

CA Number _____

(Address)

Contract Or Project # _____

(Phone) (Fax)

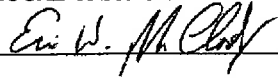
MEMORANDUM OF UNDERSTANDING
COUNTY OF ALAMEDA
PROJECT STABILIZATION/COMMUNITY BENEFIT AGREEMENT

Notwithstanding any provision to the contrary in the County of Alameda Project Stabilization/Community Benefit Agreement ("Project Stabilization Agreement"), this memorandum will confirm that work covered by the Project Stabilization/Community Benefits Agreement within the craft jurisdiction of the Elevator Constructors will be performed under the terms of the National Agreement of the International Union of Elevator Constructors, except that Articles 6,11 and 23 of the Project Stabilization Agreement will apply to such work.

County of Alameda

INTERNATIONAL UNION OF
ELEVATOR CONSTRUCTORS
LOCAL UNION NO. 8

President, Board of Supervisor



Date _____

Date 5-20-2013

Approved as to Form:
Donna R. Ziegler, County Counsel

By: 
Deputy County Counsel

MEMORANDUM OF UNDERSTANDING

**COUNTY OF ALAMEDA
PROJECT STABILIZATION/COMMUNITY BENEFIT AGREEMENT**

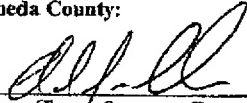
In the event the County decides to cover any given Project with an Owner Controlled Insurance Program (OCIP) during the life of the PS/CBA, the following language will apply:

The County intends to implement an OCIP, or wrap up insurance, on the Project. All Contractors and employees performing work on the Project, and not otherwise excluded from the OCIP; will be bound by the requirement of the OCIP Safety Manual; provided however, discipline imposed for alleged violations of the OCIP Safety Manual is subject to the Grievance procedures in Article 23. Any drug testing protocol established by the Contractor for the Project shall satisfy the requirements of the OCIP Safety Manual and be consistent with the MLAs. In the event that there is a conflict between the MLAs and the OCIP requirements, the OCIP requirements shall prevail.

County of Alameda

**Building & Construction Trades Council of
Alameda County:**

By: _____
President, Board of Supervisor

By: 
Andreas Cluver, Secretary-Treasurer

Date _____

Date 5/21/13

Approved as to Form:
Donna R. Ziegler, County Counsel

By: _____
Deputy County Counsel

MEMORANDUM OF UNDERSTANDING
COUNTY OF ALAMEDA
PROJECT STABILIZATION/COMMUNITY BENEFIT AGREEMENT

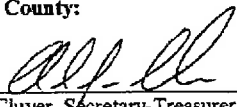
The parties agree that the PLA to which this letter is addended shall not apply to any contracts entered into by the Alameda County Public Works Agency for a period of three years from the effective date of the PLA, except that any and all trucking, as described in Article 5.4 of said PLA, shall be covered by the PLA.

Any disputes concerning the interpretation and or application of this side letter shall be subject to the dispute resolution process set forth in Article 23 of the PLA.

County of Alameda

**Building & Construction Trades Council of
Alameda County:**

By: _____
President, Board of Supervisor

By: 
Andreas Cluver, Secretary-Treasurer

Date _____

Date 5/21/13


Approved as to Form:
Donna R. Ziegler, County Counsel

By: _____
Deputy County Counsel

MEMORANDUM OF UNDERSTANDING
COUNTY OF ALAMEDA
PROJECT STABILIZATION/COMMUNITY BENEFIT AGREEMENT

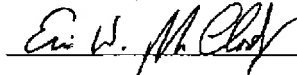
Notwithstanding any provision to the contrary in the County of Alameda Project Stabilization/Community Benefit Agreement ("Project Stabilization Agreement"), this memorandum will confirm that work covered by the Project Stabilization/Community Benefits Agreement within the craft jurisdiction of the Elevator Constructors will be performed under the terms of the National Agreement of the International Union of Elevator Constructors, except that Articles 6, 11 and 23 of the Project Stabilization Agreement will apply to such work.

County of Alameda



President, Board of Supervisor

INTERNATIONAL UNION OF
ELEVATOR CONSTRUCTORS
LOCAL UNION NO. 8



Date 1 JUN 11 2013

Date 5-20-2013

Approved as to Form:

Donna R. Ziegler, County Counsel

By: 

Deputy County Counsel

**PREVAILING WAGE AND
RELATED LABOR REQUIREMENTS CERTIFICATION**

PROJECT/CONTRACT NO.: _____ for County of Alameda (the
"County") and _____ (the "Contractor")
(the "Contract" or the "Project").

I hereby certify that I will conform to the State of California Public Works Contract requirements regarding prevailing wages, benefits, on-site audits with 48-hours' notice, payroll records, the registration and qualification requirements pursuant to Section 1725.5, and apprentice and trainee employment requirements, for all Work on the above Project.

I hereby acknowledge that County will use the Alameda County Contract Compliance System, including the Elation Systems, Inc. program, to monitor contract and labor compliance. Contractor shall use the Compliance System to meet County's requirements, and shall participate in training as directed by County in order to become and remain competent in the use of the Compliance System. Costs associated with the Alameda County Contract Compliance System, including the Elation Systems, Inc. program shall be borne by Contractor and shall not increase the cost of the Contract.

Date: _____

Proper Name of Contractor: _____

Signature: _____

Print Name: _____

Title: _____

END OF DOCUMENT

**EXHIBIT B-6
WORK LETTER**

This **WORK LETTER** (the "Agreement") is hereby made a part of that certain Lease (the "Lease") dated as _____, and made and entered into by _____ a _____, (Tax ID _____), ("Lessor") and the County of Alameda, a body corporate and politic and a political subdivision of the State of California, acting by and through its Board of Supervisors ("County"). All terms used herein which are defined in the Agreement shall have the same meanings herein as are ascribed to such terms in the Lease. Lessor and County hereby agree as follows with respect to the construction of initial improvements in the Premises:

1.0 SPACE PLANS, CONSTRUCTION DOCUMENTS, & LESSOR'S WORK

1.1 Space Plans. Lessor shall be responsible for generating a final space plan to be approved by the County, and for developing the construction documents in accordance with that certain space plan (the "Space Plan") attached to the Lease in Exhibit A. The final space plan shall include a general layout of County workstations, if any, and shall show the locations of all electrical outlets, electrical connections for County workstations (if any), phone/fax/data outlet locations to be cut into walls, ceilings and floors. Lessor shall provide a copy of the space plan to County in CAD format for County's furniture vendor to use as a base sheet for furniture planning.

1.2 Construction Plans and Documents. Lessor will be responsible for providing any surveys and services such as architectural, structural, electrical and mechanical engineering necessary for the preparation of construction drawings and final specifications necessary for the construction of improvements in the Premises that meet the design of the Space Plan (the "Improvements"). Construction documents will include architectural floor plans scaled at 1/4" or 1/8", reflected ceiling, finish schedules, door and hardware schedule, millwork details, electrical, plumbing, HVAC, fire and life safety protection plans, a specification book or project manual (if required by County) and Title 24 calculations. Lessor will provide completed construction drawings for County review no later than thirty (30) days after full execution of this lease; each day of delay beyond the 30-day deadline will correspond to one day of free rent beginning with the rent commencement date.

1.2.1 Plans, Studies, Drawings. Lessor shall cause to be prepared such plans, drawings and specifications (collectively, the "Plans") as may be necessary to obtain a building permit for construction of the Improvements. Upon 100% completion of the Plans, Lessor shall immediately submit Plans to County.

1.2.2 Documents. Lessor agrees to provide cutsheets, manufacturers' specs and other documentation upon County request for all items used in the construction and County Improvements.

1.2.3 County Review and Comment of Construction Plans and Documents. County's review and comments on the Plans and Documents shall not be interpreted as resulting in any approval of the documents or design, but are intended to discover any information which County may be able to call to the Lessor's attention to prevent costly misdirection of effort. The Lessor will remain completely responsible for designing, constructing, operating, and maintaining the building in full accordance with the requirements of this Lease and Agreement. County shall notify Lessor in writing following receipt by County of the Plans of any County comments. Such disapproval shall be communicated with sufficient specificity to enable Lessor to revise the Plans in a manner acceptable to County. County shall be permitted to make minor revisions to the Plans to the extent they may not exactly conform to the Space Plan, but shall reasonably not increase the cost nor not change the scope of the Improvements. County shall not be permitted to propose revisions to the Plans which would conflict with any applicable law. Failure of County to timely notify Lessor of any comments shall constitute approval by County of the Plans. If County timely reviews and comments on any portion of the plans, Lessor shall cause same to be revised accordingly, and shall resubmit the revised Plans to County. The final Plans, prior to submission for permit, are to be presented to County for its review and comment.

1.2.4 Planning/Construction Documents As-Built. A reproduction set of final As-Built plans, three (3) sets of blueprints, copy of air balance reports, and AutoCad disk will be provided to the County when the Improvements have been completed.

1.2.5 Operating Manuals. Lessor to provide County with operating manuals for thermostats, kitchen/break area equipment such as dishwashers, alarm systems, and any other equipment provided by Lessor when the project has been completed.

1.3 Permit Required Changes. County hereby consents to any changes to the Plans which may be imposed as a condition of obtaining a permit for the construction of the Improvements by any municipal department having jurisdiction over same. Lessor shall immediately notify County of any such changes made.

1.4 County Requested Changes. County may request changes to the final Plans following the submission of the plans by the Lessor for permit. All such requests for changes shall be subject to the procedures set forth in Paragraph 3.4 hereof.

1.5 Lessor's Work/ Work Performance. All work required to be performed by Lessor or Lessor's contractor pursuant to this Agreement is hereinafter referred to as the "Lessor's Work." Lessor shall cause to be constructed, at Lessor's sole cost and expense (except as expressly set forth herein) the Improvements. Work performed under this Lease must be in conformance with the prevailing wage provisions of County and State laws. Prevailing wages are to be paid for work to be performed in connection with this Lease, as provided by relevant provisions of the California Labor Code. Lessor agrees to comply with all applicable provisions of said Code as they relate to the payment of prevailing wages, and Lessor agrees to indemnify, defend and hold County harmless from all claims, costs, causes of action, attorneys fees, damages or liability arising out of or in connection with the failure of Lessor or Lessor's contractors or subcontractors to comply with the applicable provisions of said Code.

1.5.1 Remediation.

Lessor's Work shall include the remediation of asbestos-containing materials, lead-based paint, PCB's and other potential hazards ("Remediation Plans") described hereinafter.

1.5.1.1 Asbestos.

Prior to any remodel/renovation activities, Lessor shall hire a Certified Asbestos Consultant to survey the Premises and common areas to identify any asbestos-containing materials that are present. A copy of the survey shall be provided to the County for its records. Asbestos-containing materials that will be impacted by remodel/renovation activities and/or any damaged asbestos-containing materials that are present in the Premises and common areas shall be remediated prior to the start of construction. Lessor shall use the services of a Certified Asbestos Consultant to design any asbestos remediation activities; inspect the Premises and common areas upon project completion; and collect clearance air samples for analysis by Transmission Electron Microscopy.

1.5.1.2 Lead-Based Paint.

All paint shall be assumed to contain lead unless sampled to prove otherwise. Lessor shall ensure that work impacting lead-based paint complies with all applicable local, state, and Federal regulations. Lessor shall hire a EPA-certified Lead Professional to perform a lead-exposure assessment of the Premises and common areas. The Lessor will conduct remediation activities required to eliminate any exposure issues identified by this assessment.

1.5.1.3 Polychlorinated Biphenyls (PCBs).

The Lessor shall replace any PCB-containing light ballasts. Unless clearly marked "Non-PCB", ballasts will be assumed to contain PCBs. Lessor shall use light ballasts clearly marked "Non-PCB").

1.5.1.4 Other Potential Hazards.

Lessor shall remediate any other potential hazards identified in the Premises and common areas as deemed necessary by Lessor and County to ensure the health and safety of the occupants.

1.5.1.5 Remediation Reports

Upon completion of the work required by this Paragraph 1.5.1, Lessor shall provide to County from Lessor's Certified Asbestos Consultant, EPA-certified Lead Professional, and/or other environmental professional, as appropriate, a written certification, in form and substance reasonably acceptable to County,

indicating that all remediation and/or assessment work has been completed in accordance with all applicable local, state and Federal regulations, and that the Premises and common areas are safe to occupy.

1.5.2 Performance. All work in performance of this Lease, this Agreement, and the construction of the Improvements must be done by skilled workers or mechanics, be acceptable to County, and must be in conformance with the prevailing wage provisions of the State of California, and any other entity having such jurisdiction . Prevailing wages are to be paid for work to be performed in connection with this Agreement, as provided by the relevant provisions of the California Labor Code. Lessor agrees to comply with all applicable provisions of said Code as they relate to the payment of prevailing wages, and Lessor agrees to indemnify, defend, and hold County harmless from all claims, costs, causes of action, attorneys fees, damages or liability arising out of or in connection with the failure of Lessor or Lessor's contractors or subcontractors to comply with the applicable provisions of said Code

1.6 Construction of Lessor's Work. Lessor shall enter into a contract for the construction of Lessor's Work with the general contractor who has been approved by both Lessor and County. Lessor shall cause the construction of Lessor's Work to commence within ten (10) days from the date Lessor has obtained Building Permits pursuant to Paragraph 2.2 of this Agreement ("Lessor's Work Commencement Date"). Lessor agrees to diligently construct and complete Lessor's Work in substantial compliance with the final Plans and Remediation Plans and in compliance with all applicable federal, state and municipal laws of the governmental authorities having jurisdiction. Possession of the Premises, with Lessor's Work completed in accordance with the Final Construction Plans and any Remediation Plans, shall be delivered not later than _____ (xxx) calendar days from Lessor's Work Commencement Date ("Lessor's Work Completion Date"). The parking areas, drives, entrances, sidewalks, curbing, landscaping, and other improvements to the Common Areas which are part of Lessor's Work shall also be completed by Lessor's Work Completion Date.

Lessor's Work Completion Date shall be subject to extensions of time based upon delays beyond Lessor's control as provided in Paragraph 8.1 of this Agreement. If, however, Lessor has not completed Lessor's Work by a date which is _____ (xxx) days from Lessor's Work Commencement Date ("Absolute Deadline Date"), County shall at any time after the Absolute Deadline Date have the election to give Lessor written notice of County's election to terminate the Lease if Lessor does not complete Lessor's Work within thirty (30) days following receipt of County's notice. If Lessor completes Lessor's Work within such thirty (30) day period, the Lease shall remain effective, otherwise the

Lease shall terminate at the end of such thirty (30) day period without further acts of the parties required. For every day beyond the Absolute Deadline Date that Lessor has not completed Lessor's Work, Lessor shall grant County a day of free Rent starting the first day of County's obligation to pay Rent as described in the Lease. County shall prorate the amount of free Rent starting with County's first payment of Rent as provided under the Lease.

2.0 CODES AND PERMITS

2.1 Codes. All work shall be in accordance with the most current editions of the following codes and standards:

- Local Building Code, current edition, and current Uniform Building Code
- Local Plumbing, Electrical, Mechanical and Fire codes, current edition
- State Building Code, Title XXIV
- Bay Area Air Quality Management District (BAAQMD)
- Bay Area Water Quality Control District
- California Administrative Code
- Comprehensive Environmental Response Compensation and Liability Act
- Americans With Disabilities Act, current updates
- All other codes enforced within local jurisdiction

2.2 Permits. All required permits for the construction, remodeling, testing, or debris removal are to be obtained by the Lessor from those jurisdictions having such authority to grant them.

2.3 Copies Provided To County. Copies of all permits shall be provided to County upon Substantial Completion, as defined hereinafter.

3.0 FEES, COSTS, AND CHANGE ORDER PROCEDURE

3.1 Construction Management Fees. Lessor shall be paid a construction management fee equal to 10% of the hard and soft costs of the Lessor's Work, Improvements and architectural/engineering services. The construction management fee shall be a component of the cost of the improvements and subject to the Cap as described in the lease terms, and not in addition to the Cap.

3.2 Cost of the Improvements. Except as otherwise set forth herein, Lessor shall bear all costs of constructing the Improvements. The cost of the Improvements shall include, without limitation, preparation of Plans and all working drawings, obtaining building permits, labor and materials used in such construction, and all other costs of such construction including a conditional use permit (if required) and occupancy permits.

3.3 Changes Requested by the Lessor. Except as required in Paragraph 1.4 above, Lessor shall not enter into any change without County's prior written approval. Any such disapproval of Lessor's written request on the part of County shall be accompanied by a statement of the reasons for such disapproval, set forth with sufficient specificity to permit Lessor to understand the nature of County's objections thereto.

3.4 Changes Requested by the County. County may require Lessor to perform any such additional, nonstandard or revised work (hereinafter collectively referred to as "Extra Work") desired by County. County acknowledges that any delays in the completion of the Improvements caused by the review of any request for, as well as any approval and/or performance of, Extra Work shall constitute a County Delay as described in Paragraph 8.2 below

3.4.1 Request Procedure. Any request by County for Extra Work which would require a change to the final Plans shall be accompanied by all necessary additional and/or revised Plans, if necessary, for such Extra Work. Lessor shall respond in writing to any request by County for the performance of Extra Work, which response shall include the scope, extra cost or credit, and delay of the completion of the Improvements, if any. Any approval of such request may, in Lessor's sole discretion, be conditioned upon any or all of the following: (1) payment by County of all estimated costs of such Extra Work no later than thirty (30) days after Substantial Completion; as described in Paragraph 3.4.3 below; (2) the written acknowledgment by County that any additional time required to perform such Extra Work shall constitute a County Delay; and (3) any other reasonable conditions which Lessor may find to be reasonable under the circumstances

3.4.2 County Approval. County shall approve or disapprove Lessor's written response on the scope, cost (if any), and delay (if any) of the Extra Work within three (3) business days following presentation by Lessor. No Extra Work shall be deemed approved by County unless written authorization is received from, or the Extra Work request is signed by, the Director of the General Services Agency or the General Services Agency Real Property Manager. Lessor acknowledges, and Lessor shall direct Lessor's contractor to acknowledge that no direction for Extra Work from County's employees, agents, or contractors that changes the scope of the Improvements, the cost of the Improvements, or changes the completion date of the Improvements is valid unless the procedure described in this Paragraph 3.4.2 is followed. If County shall fail to approve Lessor's response for Extra Work within three (3) business days following Lessor's presentation to County, the proposed Extra Work shall be deemed disapproved by County.

3.4.3 Payment Procedure. Upon Substantial Completion (defined in Paragraph 4.3 hereof), Lessor shall submit to County the approved Extra Work request and an original invoice including any detailed cost breakdowns from the contractor showing materials and labor. The invoice shall include Lessor's taxpayer identification number. County shall pay Lessor, based on the invoice, within thirty (30) days of receipt of Lessor's complete, correct invoice.

3.5 Lessor's Error. To the extent any Extra Work is required as a result of Lessor's error, omission, negligence or willful misconduct, Lessor shall be responsible for the cost of performing such Extra Work. However, Lessor shall not be responsible for any Extra Work required as a result of the error, negligence or willful misconduct of any contractor chosen by County.

4.0 SCHEDULES AND COMPLETION OF IMPROVEMENTS

4.1 Schedules. Lessor shall provide County with a detailed construction schedule within one (1) week of full execution of the Lease. The schedule will include all trades, particularly noting when walls and ceilings will be open for County's cabling subcontractor to install communication and data processing wires. Lessor's contractor shall coordinate with County's cabling contractor for the installation dates for County's cabling requirements. The schedule will also be updated at least thirty (30) days prior to anticipated Lease commencement date set forth in the Lease. Lessor's Contractor shall provide access during regular business hours to the Premises for County's employees and agents to install telephone and data cables prior to dropping ceilings or closing walls.

4.2 Access to Premises during Construction. County and its approved contractors shall have the right to enter the Premises during the construction of the Improvements, without payment of rent, for the following purposes only: (a) to perform such work or decoration as is to be performed by or under the direction or control of County; (b) to review the progress of the construction of the Improvements for the purpose of coordinating County's move into the Premises; (c) to install County's furniture, fixtures, and equipment, provided that such entry or performance of work shall not interfere in any manner with the conduct of Lessor's Work; and (d) to review construction in progress to insure that the Improvements are being constructed according to the Plans. Any entry into the Premises by County, its agents, contractors and employees, during the construction of the Improvements shall be at the sole risk of the County, and County hereby releases Lessor, its agents, contractors and employees, from any and all liability, cost, damage, expense and claim for injury (including bodily injury, death or property damage) (collectively, "Claims") incurred or suffered by Lessor in or about the Premises during the construction of the Improvements, except for Lessor's or Lessor's contractor's error, omission, negligence or willful misconduct.

4.3 Substantial Completion. “Substantial Completion” shall be defined as when the Lessor’s Work in constructing the Improvements is completed in accordance with the final Plans, this agreement, and any Extra Work, and specifically upon the following:

- 4.3.1** Debris caused by Lessor’s or County’s trades, utility providers, and others has been removed;
- 4.3.2** All walls and partitions have been erected, with doors and hardware installed, and have received final painting or wall covering;
- 4.3.3** All ceilings and lighting are installed and operative;
- 4.3.4** All glass, door locks, door hardware, counters and cabinetry have been installed;
- 4.3.5** All flooring and base has been installed, cleaned, and buffed and VCT waxed;
- 4.3.6** Lessor has insured that the local telephone company has provided working telephone service to meet County’s required number of telephone lines to the Building minimum point of entry (MPOE);
- 4.3.7** The lobby, elevators, heating air conditioning, plumbing, and electrical systems have been installed and are in good working condition;
- 4.3.8** All elevators are available for County’s use shall have current permits;
- 4.3.9** The entire Premises have been cleaned and are in unblemished condition. Stray paint on hardware, door and window frames, ceiling grid, and glazing shall be removed. Windows/glazing will be cleaned both on interior and exterior of Premises. All labels, tape, plastic covering light fixtures, and construction markings shall be removed. All debris shall be removed from exterior areas, sidewalks swept, parking lots washed and swept, and trash shall be hauled within one (1) week of County moving in. All air intake vents and returns to be cleaned and filters changed.
- 4.3.10** The expiration of thirty day’s prior notice to County that the foregoing items above will be complete.
- 4.3.11** Lessor’s receipt of a certificate of occupancy (or equivalent final regulatory approval such as final permit signoff by the local building inspector that the Improvements have been completed to all applicable codes and the

Premises are ready for occupancy by County) and sign-off by the local fire department.

4.4 County Walk-through/Punchlist. Within five (5) days following or upon Substantial Completion of the Improvements, County and Lessor shall conduct a walk-through inspection of the Premises to determine County's acceptance of Premises and to agree on the Punchlist of items of Lessor's Work still to be completed by Lessor ("Punchlist").

4.5 Acceptance of Premises.

4.5.1 Lessor shall deliver the Premises to County, and County shall accept the Premises, upon Substantial Completion of the Improvements (subject to Punchlist items). If County accepts the Premises and the Punchlist items are agreed upon, the Lease Commencement Date shall be deemed to have occurred on the first business day following County's acceptance of such Substantial Completion.

4.5.2 Neither the County's acceptance of the Premises for occupancy, nor the County's occupancy thereof, shall be construed as a waiver of any requirement of Lessor or right of the County under this Lease, its attachments, addenda, or its Exhibits, or as otherwise prejudicing the County with respect to any such requirement or right. Lessor shall remain responsible for diligently correcting any construction deficiencies, latent defects, or design errors of the Improvements that may be discovered after County's acceptance and occupancy of the Premises.

4.6 Completion of Punchlist Items. Lessor's contractor shall complete all Punchlist items within thirty (30) days after the walk-through inspection. Lessor shall provide the AS-Built Plans and items detailed in Paragraph 1.2.4. and 1.2.5 above as part of the Punchlist.

5.0 SPECIFICATIONS

In the event of any conflicts between the requirements set forth hereinafter and the above-referenced codes and standards, the more stringent requirement shall apply.

5.1 Contractors and Materials. Except as otherwise herein provided or as may be otherwise approved by Lessor, all construction of the Improvements shall be performed by Lessor's contractors. Unless otherwise expressly described in the Plans or

expressly described herein this Agreement, all wall coverings, woodwork, paint, floor coverings and other finishes shall be of building standard quality, as determined by Lessor ("Building Standard") from time to time for general tenant improvement work in the Building. Lessor shall not under any circumstances be required to provide or pay for any furniture, trade fixtures, equipment or other personal property of County, or any other item which is not to be permanently affixed to the Premises and made a part thereof.

5.2 Color Selections. County shall approval all colors prior to the ordering of any materials requiring color choice. County may choose up to two paint colors per office/room for walls.

5.3 Partitions. 5/8" gypboard on both sides of 2-1/2" metal studs at 24" on center, from floor slab to suspended ceiling for non-rated; from floor slab to roof or concrete slab above for rated. All walls will be straight, level and plumb. There will be no visible joints, cracks, crazing, tool marks or discoloration.

5.4 Doors, Frames, Hardware, and Locks. All doors shall be full height 3'-0" x 1-3/4" thick solid core. Approved commercial grade ADA locksets will be provided for all offices and storage rooms. Approved ADA latchsets shall be provided to all other doors. All locksets and latchsets Schlage with Rhodes level or equivalent. Copy rooms, entry doors, break room doors shall have automatic LCN door closers. All doors to include Glynn Johnson door stops. Stanley, McKinney or Lawrence 1-1/2" x 4-1/2" butt hinges. Use Pemko thresholds where required. Clearance for all doors shall not exceed 1/4" from finish floor or threshold, 1/8" for jambs and heads and meeting edges. Keying -- furnish keys to all employees designated by County. Key and master key all locksets and cylinders. For existing spaces, rekey all entry doors, storage rooms, and private offices.

5.5 Sound Insulation and Acoustical Requirements. For demising partitions, conference rooms, sound-sensitive rooms, all partitions will be built from floor to slab above and include 3-1/2" batt insulation. For all walls located adjacent to other private offices, 3-1/2" batt insulation will be included, with a blanket acoustical insulation at least 24" in ceiling on each side of the office partitions. Electrical outlets will be staggered between offices to minimize sound transmission. HVAC ductwork shall be diverted to minimize sound transmission. Lessor shall provide HVAC equipment and exhaust fans that transmit sound levels acceptable to County. If unacceptable, Lessor agrees to replace/repair at County's request at no charge.

REVERBERATION CONTROL:

Ceilings in carpeted space shall have a Noise Reduction Coefficient (NRC) of not less than 0.55 in accordance with ASTM C-423. Ceilings in offices, conference

rooms, and corridors having resilient flooring shall have an NRC of not less than 0.65.

AMBIENT NOISE CONTROL:

Ambient noise from mechanical equipment shall not exceed Noise Criteria curve (NC) 35 in accordance with the ASHRAE Handbook in offices and conference rooms; NC 40 in corridors, cafeterias, lobbies, and toilets; NC 50 in other spaces.

NOISE ISOLATION:

Rooms separated from adjacent spaces by ceiling-high partitions (not including doors) shall not be less than the following Noise Isolation Class (NIC) Standards when tested in accordance with ASTM E-336:

conference rooms: NIC-40
offices: NIC-35

The Acoustical Requirements in this Section shall take precedence over any additional specifications in this Lease if there is a conflict.

5.6 Painting. Products should be selected that are the least harmful to human health and the environment. Properties of such products include: no carcinogenic ingredients; zero/low Volatile Organic Compounds (VOC's); and low odor. Material Safety Data Sheets (MSDS's) should be submitted to the County for approval, prior to application. Adequate ventilation shall be used during application, and for at least 48 hours after completion.

Fuller-O'Brien, Sherwin-Williams, Benjamin Moore, or equal. Minimum shall include one coat primer with P.V.A. primer sealer, and two finish coats. Apply additional coats if necessary to provide uniform coverage and full hiding. All tool marks, nail holes, defects shall be sanded smooth prior to painting. Paint all exposed conduit in finished areas. Paint all interior surfaces of air ducts, baseboard heating units that are visible through grilles and louvers with one coat of flat black paint. Paint dampers exposed behind louvers, grilles to match face panels. Paint chips will be provided to County within one (1) week of Lease execution for primary wall and door colors. Brushouts (8" x 10") will be provided to County for approval. Once the Premises are occupied, paint touch ups with County approved products will be conducted during unoccupied hours, with 3 days advance notice to the County.

5.7 Electrical. Three duplexes shall be provided to each private office. Larger conference/training rooms shall include at least one duplex per wall. Each workstation shall be provided with an equivalent of three duplexes. Outlet plates -- white or color-

approved by County. Dedicated circuits shall be provided for telephone and data processing equipment, copiers, shared printers, microwave oven, servers and other special equipment. GFI receptacles shall be provided adjacent to water sources. Code all special receptacles. Label all electrical panels. Each room switched, with multiple-way switches for rooms with multiple doors. Load shall be no less than five (5) watts per square foot. If building requires additional power, Lessor will supply such power.

5.8 Communications and Data Processing. All cabling is to be provided by County through a County-approved cabling vendor. A minimum of one telecommunications outlet will be provided for each workspace. The number of telecommunications outlets for conference rooms and other areas will be dependent on their size and function and must be approved by County. All communication outlets should have a ring and string provided for voice and data cabling. Refer to County's cabling specifications in Exhibit B-1 for additional information.

5.9 Telephone Service. County will provide its own phone service within its Premises. Lessor will provide all necessary electrical, conduit, plywood backboard, etc., to support County's phone system, including bringing the Pacific Bell telephone service to the Building's minimum point of entry (MPOE) and shall to connect to County's telephone equipment room to enable distribution of cable and wire.

5.10 Pathways/Conduit. Provide all necessary conduit and pathways for County's data processing, communications and electrical. This shall include pathways to County's workstations and pathways from Building's utility rooms to County's equipment to enable distribution of cable and wire. The exact size and location of conduits to be determined by County's communications and data processing departments. If County is on more than one floor of the Building, Lessor shall provide at least two, 4-inch vertical conduits between the floors of the building connecting the County Premises.

5.11 Heating, Ventilation and Air Conditioning. The HVAC system shall meet the following specifications:

- The building shall be heated and cooled by a forced-air system consisting of separate thermostatically controlled zones of not more than 1,000 square feet each. The HVAC equipment shall be sized to maintain an inside temperature of 70 °F during heating cycles and 76 °F during cooling cycles when outside temperatures range from 30 °F to 90 °F, dry bulb, respectively. Meeting/Conference room shall have a dedicated thermostat with a manual override feature for continuous operation and shall be located in that Meeting/Conference room regardless of the occupancy. The terminal boxes that distribute the air shall be sized appropriately to meet all heating and cooling loads and fresh air requirement per ASHRAE Standard 62.1-2010 Ventilation for Acceptable Indoor Air Quality (IAQ). Supply and return registers shall be

provided for all rooms and open areas of the Premises and meet the design air flow rates (throw) for heating and cooling.

- The HVAC design shall take into account all heat-generating loads, and shall be based on an occupant loading of one person per 12 square feet for meeting rooms, and one person per 100 square feet for all other areas of the building, but not exceed the International Building Code (IBC) standard for calculating the maximum occupancy for an area.
- The HVAC system shall meet the minimum outside air requirement according to ASHRAE 62.1-2010 ventilation requirements. For the purpose of clarity, the HVAC system may exceed the minimum fresh air requirement. The outside air shall be provided continuously during occupied hours and be provided independent of the heating and cooling cycles.
- Separate exhaust fans shall be provided for all toilet rooms and kitchen/break rooms. The minimum exhaust rate for exhaust fans shall be two CFM per square foot.
- The HVAC operating controls shall include manual overrides for after-hours operation of each zone, and controls to schedule the HVAC equipment on and off. After-hours operation shall include at least 60 minutes of operation.

A final air balancing report of the HVAC system shall be provided to the County, along with any other documentation required to demonstrate compliance with the above criteria.

5.12 Plumbing. All break rooms, kitchens and toilets shall include hot and cold water supplied to faucet, sink, stops, traps. Valves shall be accessible. Provide commercial grade high-flow flush system toilets, sinks and faucets. Provide handicap toilets and fixtures as required by code

5.13 Toilets and Accessories. Restroom toilets must be good quality commercial grade high-flow flush system fixtures in good condition. Provide new toilet seats. Provide new soap, paper toilet seat cover, and paper towel dispensers, and separate sanitary napkin disposal containers in the Women's toilets. Alter plumbing as required. Comply with handicap code. Mirrors to be provided at sinks in the restrooms.

5.14 Flooring.

5.14.1 Subfloor. Repair as needed.

5.14.2 Carpet. All carpet products installed shall be at minimum 23 oz face weight carpet tiles and certified to meet the NSF/ANSI-140 standard at the Platinum certification level. Fiber Content shall be 100% commercial grade nylon type 6 or type 6,6. Product used shall have a minimum 10 percent recycled content. Primary PVC backing/backcoating material shall have a minimum of 40% recycled content. Products must meet one of the following: i) carpet tile that complies with testing and product requirements of CRI's "Green Label Plus" program; or ii) carpet tile that complies with the product requirements of the California Department of Health Services' "Standard Practice for the Testing of Volatile Organic Emissions from Various Sources Using Small-Scale Environmental Chambers" Adhesives shall be water-resistant, mildew-resistant, non-staining, pressure-sensitive type to suit products and subfloor conditions indicated, that complies with flammability requirements for installed carpet tile and is recommended by carpet tile manufacturer for releasable installation. Alternatively, dry adhesives with virtually no-VOCs can be used. Adhesives shall have: a) a VOC content of 50 g/L or less when calculated according to 40 CFR 59, Subpart D (EPA Method 24); or b) shall comply with the testing and product requirements of the California Department of Health Services' "Standard Practice for the Testing of Volatile Organic Emissions from Various Sources Using Small-Scale Environmental Chambers." Lessor shall store a minimum of three percent (3%) stock for County for future repairs. Lessor shall provide same die lot for entire installation. Provide a warranty for the Term of the Lease on product and installation.

5.14.3 Resilient Flooring. Vinyl composition tile, 12" x 12" Armstrong Standard Excelon Tile, shall be provided in break rooms, kitchens, storage rooms, copy rooms, restrooms, janitor's closets, and utility rooms. County to be provided with samples to select color within one (1) week of executing County's Lease.

5.14.4 Base. In conjunction with the installation of all carpeting, remove and replace all current molding with rubber cover base that is a minimum of 4" high. Standard "Roppe" or "Burke" rubber base, 48" cut lengths, 1/8" thick, with premolded inside and outside corners shall be provided along all partitions, cabinet bases. Straight base shall be provided with carpet flooring and cove base shall be used with VCT and hard flooring. Provide tile/carpet joiner reducer moldings. County to be provided with samples to select color within one (1) week of executing County's Lease.

5.15 Lighting, Interior.

5.15.1 Fixtures. 2' X 4' recessed troffer fixture should feature two 5000K lamps Direct/Indirect. One or three lamp fixtures are acceptable if needed, based on lighting levels required. The County's acceptable desktop light level for workspaces is above 30 Foot-candles (maintained). All new fixtures need to include quick disconnects to meet current NEC codes. Lenses shall be made from clear prismatic, acrylic material of 0.125" thickness (A12). Wrap-around lenses must be sized and contoured to be similar to factory-supplied lenses in appearance. Flat lenses must be cut evenly and sized properly so they can be installed in a secure manner. Ballasts to have minimum "A" sound rating and U.L. approved. Energy-efficient ballasts and controls shall be provided. Provide emergency lighting for egress, including fixtures for toilet and common areas. For existing lighting, re-lamp and repair/replace to meet lighting levels and energy efficiency.

Linear Fluorescent Electronic Ballasts

Standard output ballasts must have a ballast factor of 0.87 - 0.89.
Reduced output ballasts must have a ballast factor of 0.77 - 0.78
Catalog or reference output must have a ballast factor of 0.95 – 1.05.
High output ballasts must have a ballast factor of 1.15-1.20.

Linear fluorescent retrofit measures with T8 lamps must have "extra-efficient" ballasts from the following list of manufacturers and brand names:

Linear Fluorescent Lamps

1. All new 2-foot fluorescent lamps used in fixtures shall be F17T8 (when required).
2. All new 4-foot fluorescent lamps used in fixtures shall be F32T8 (Preferred).

Linear fluorescent lamps must be "premium" quality, meaning that they must have the following characteristics

- A minimum rated life (at 3-hour start rating) of 24,000 hours with instant start ballasts.
- Lamps must have a CRI between 80 and 86.
- Lamps must have color temperature **5000K**
- 4-foot Lamps must have an initial (catalog) lumen output \geq 3000 lumens.
- Lamps must carry a three-year parts warranty.
- Lamps shall be designated as "low mercury content," with $<$ 6 mg of mercury per 4-foot lamp.

5.15.2 Lighting Levels. All lighting levels shall at minimum meet Title 29 of the code of Federal Regulations at section 1926.56 for the light

required in foot-candles for various types of work. For areas and or types of work not covered by Title 29, refer to the American National Standard A11.1-1965 R19970 for recommended values of illumination. Title 29 minimum requirements are provided as a reference below:

TABLE D-3—MINIMUM ILLUMINATION INTENSITIES IN FOOT-CANDLES IS

Foot-candles	Area or operation
5	General construction area lighting.
3	General construction areas, concrete placement, excavation and waste areas, accessways, active storage areas, loading platforms, refueling, and field maintenance areas.
5	Indoors: warehouses, corridors, hallways, and exitways.
5	Tunnels, shafts, and general underground work areas: (Exception: minimum of 10 foot-candles is required at tunnel and shaft heading during drilling, mucking, and scaling. Bureau of Mines approved cap lights shall be acceptable for use in the tunnel heading.)
10	General construction plant and shops (e.g., batch plants, screening plants, mechanical and electrical equipment rooms, carpenter shops, rigging lofts and active storerooms, barracks or living quarters, locker or dressing rooms, mess halls, and indoor toilets and workrooms).
30	First aid stations, infirmaries, and offices.

5.16 Ceiling. 2' x 4' suspended ceiling grid, with 2' x 4' Armstrong Second Look II, 9/16" score ceiling shall be provided. Tiles to be new, or like new -- no yellowed, broken or stained tiles will be acceptable. Seismic bracing compliance required. Provide stock supply of ceiling tile (one [1] unit for 100 units installed) shall be provided to County and stored by Lessor for repairs. Provide guarantee for term of lease against sag. All components of ceiling grid to terminate at the end of each wall, to be aesthetically pleasing.

5.17 Glazing. All private offices and conference rooms to include full height twenty-four (24") inch wide side light. All offices will be provided with mini-blinds to cover all glazing. 3M or equivalent film shall be provided on exterior glass for sun control, as requested by County.

5.18 Window Coverings. Install 1" mini-blinds. Color to be selected by County.

5.19 Fire Protection. An approved automatic sprinkler system, fire alarm system and fire extinguishers shall be provided to meet code and tested per the NFPA25 standards. Provide U.L.-approved, polished chrome, semi-recessed, with polished chrome escutcheons. Fire extinguishers shall be recessed in partition in cabinet. Lessor shall provide County with Fire Department certificate upon occupancy by County.

5.21 Signage and Graphics. Provide suite signage, floor lobby directory, central lobby directory or monument, die cut fire extinguisher signs, and all regulatory signage. Wording for County's use in the lobby to be provided.

5.22 Energy Management. Lessor shall install such a system to the Premises that meets the County's Specifications for a new CSI management system. The County would expect that the installation be of premium quality, follow all CSI guidelines and allow for maximum data acquisition from and control of the site. County shall provide detailed specifications during the development of the Plans.

6.0 COUNTY-APPROVED EQUIVALENTS

In the event of any question of County-approved equivalents in these specifications, Lessor is to contact the Real Property Manager of the General Services Agency for approval.

7.0 CERTIFICATIONS

Lessor shall provide the following certifications upon completion of the Improvements at or before completion of the Punchlist:

- 7.1.1 Seismic.** Lessor shall furnish at no cost to County a certification from a qualified, licensed, and registered structural engineering firm attesting that the Building meets seismic standards of the applicable UBC code.
- 7.1.2 Building Systems.** Lessor shall furnish at no cost to County a certification by a licensed and registered professional engineer(s) showing the Premises and its systems are designed in accordance with ASHRAE/IES standards and is designed to optimally accommodate the County Space Plan.
- 7.1.3 Floor Load.** Lessor shall provide at no cost to County a report by a licensed and registered professional structural engineer(s) certifying the level of the floor load capacity, and any restrictions.
- 7.1.4 Acoustical Testing.** Lessor shall provide at no cost to the County test reports by a qualified acoustical consultant showing that acoustical requirements of this Lease have been met (see Acoustical Requirements Section, 5.5)

8.0 DELAY

8.1 Lessor Delay/Force Majeure. The term "Force Majeure" shall mean any delay in the completion of the Improvements which is attributable to any (1) delay or failure to perform attributable to any strike, lockout or other labor or industrial disturbance, civil disturbance, judicial order, act of a public enemy, war, riot, sabotage, blockade, embargo, inability to secure customary materials, supplies or labor through

ordinary sources by reason of regulation or order of any government agency; (2) delay attributable to inability to secure building permits and approvals; (3) delay in completing working drawings or other necessary components of final Plans, and/or delay in the construction of the Improvements despite Lessor's diligent efforts to complete same, because of changes in any laws subsequent to the execution date hereof (including, without limitation, the Americans with Disabilities Act of 1990) or changes in the interpretation of any such law by the applicable building department; or (4) delay attributable to lightening, earthquake, fire, storm, hurricane, tornado, flood, washout, explosion, or any other natural cause beyond the reasonable control of Lessor.

8.2. County Delay. The term "County Delay" shall mean, with respect to the completion of the Improvements, delay which is attributable to any (1) delay in the giving of authorizations or approvals by County; (2) delay attributable to the negligent or willfully wrongful acts or failures to act, of County, its agents or contractors, where such acts or failures to act delay the completion of the Improvements; (3) delay attributable to the interference of County, its agents or contractors with the completion of Lessor's Work, including delays resulting from entry into the Premises by such persons as contemplated in Paragraphs 4.2 and 5.8 above; or (4) any delay in obtaining a certificate of occupancy (or final permit sign-off) for the Premises as a result of the failure of any contractor hired by County to complete any portion of the Improvements (required for such certificate of occupancy or final permit sign-off) prior to the completion of Lessor's work. In the event of any County Delay, the date of delivery of the Premises to County by Lessor shall be deemed, for the purpose of determining the Commencement Date, to be the day Lessor would reasonably have completed Lessor's Work but for County's Delay.

LESSOR

_____, a _____, (Tax ID _____)

By _____

Its _____

Date _____

EXHIBIT "C"

COUNTY OF ALAMEDA MINIMUM INSURANCE REQUIREMENTS

Without limiting any other obligation or liability under this Agreement, the LESSOR, at its sole cost and expense, shall secure and keep in force during the entire term of the Agreement or longer, as may be specified below, the following insurance coverage, limits and endorsements:

TYPE OF INSURANCE COVERAGES	MINIMUM LIMITS
A Commercial General Liability Premises Liability; Products and Completed Operations; Personal Injury and Advertising Liability	\$1,000,000 per occurrence (CSL) Bodily Injury and Property Damage
B Workers' Compensation (WC) and Employers Liability (EL) Required for all LESSOR's with employees	WC: Statutory Limits EL: \$100,000 per accident for bodily injury or disease
C Property insurance Against all risks of loss to any tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision.	At full replacement cost with no coinsurance penalty provision.
D Endorsements and Conditions: 1. ADDITIONAL INSURED: General Liability Insurance Policies shall include as additional insured County of Alameda, its Board of Supervisors, the individual members thereof, and all County officers, agents, employees and volunteers. The Additional Insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13. 2. DURATION OF COVERAGE: All required insurance shall be maintained during the entire term of the Agreement 3. REDUCTION OR LIMIT OF OBLIGATION: All insurance policies, including any excess and umbrella insurance policies, shall include an endorsement and be primary and non-contributory and will not seek contribution from any other insurance (or self-insurance) available to the County. The primary and non-contributory endorsement shall be at least as broad as ISO Form 20 01 04 13. Pursuant to the provisions of this Agreement, insurance effected or procured by the Lessor shall not reduce or limit Lessor's contractual obligation to indemnify and defend the Indemnified Parties. 4. INSURER FINANCIAL RATING: Insurance shall be maintained through an insurer with an A.M. Best Rating of no less than A:-VII or equivalent, shall be admitted to the State of California unless otherwise waived by Risk Management, and with deductibles amounts acceptable to the County. Acceptance of Lessor's insurance by County shall not relieve or decrease the liability of Lessor hereunder. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Lessor. 5. SUB-CONTRACTORS: Lessor shall include all subcontractors as an insured (covered party) under its policies or shall verify that the subcontractor, under its own policies and endorsements, has complied with the insurance requirements in this Agreement, including this Exhibit. The additional insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13. 6. JOINT VENTURES: If Lessor is an association, partnership or other joint business venture, required insurance shall be provided by any one of the following methods: - Separate insurance policies issued for each individual entity, with each entity included as a "Named Insured (covered party), or at minimum named as an "Additional Insured" on the other's policies. - Joint insurance program with the association, partnership or other joint business venture included as a "Named Insured." 7. CANCELLATION OF INSURANCE: All insurance shall be required to provide thirty (30) days advance written notice to the County of cancellation. 8. CERTIFICATE OF INSURANCE: Before commencing operations under this Agreement, Lessor shall provide Certificate(s) of Insurance and applicable endorsements, in form and satisfactory to County, evidencing that all required insurance coverage is in effect. The County reserves the rights to require the Lessor to provide complete, certified copies of all required insurance policies. The required certificate(s) and endorsements must be sent as set forth in the Notices provision.	

EXHIBIT "D"

**MEMORANDUM CONFIRMING
COMMENCEMENT DATE OF LEASE TERM**

LOCATION: 516 31ST STREET, OAKLAND, CA

On this ____ day of _____ 201_, the County of Alameda ("County") and Bay Area Community Services ("Lessor") hereby confirm that the Commencement Date of the Term of the Lease dated _____, shall be _____, 201_, and the Expiration Date shall be _____.

Execution of this memorandum is not a waiver of any right of County or not a waiver of Lessor's obligation.

County of Alameda _____ Date: _____

its: _____

Lessor _____ Date: _____

its: _____

Exhibit E

CHFFA Grant Agreement Number ALMD-02

Exhibit F

The Grant Regulations

TEXT OF REGULATIONS

CALIFORNIA CODE OF

REGULATIONS TITLE 4,

DIVISION 10, CHAPTER 5

Investment in Mental Health Wellness Grant Program

Section 7113. Definitions.

The following definitions shall apply wherever the terms are used throughout this Chapter.

- (a) “Applicant” means an entity that meets the eligibility requirements as further described in Section 7114 for submission of an Application and submits an Application.
- (b) “Application” means the written request for a Grant under the Investment in Mental Health Wellness Grant Program in the form and format of the Investment in Mental Health Wellness Grant Program Application Form No. CHFFA 7 MH-01 (Rev.05/2015), including all supporting information and documents, as further described in Section 7116.
- (c) “Audited Financial Statements” means an examination and report of an independent accounting firm on the financial activities of a public agency or private nonprofit corporation.
- (d) “Authority” means the California Health Facilities Financing Authority.
- (e) “Authority Staff” means employees of the Authority.
- (f) “Bay Area Region” means the counties of Alameda, Contra Costa, Marin, Monterey, Napa, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma.
- (g) “Capital Funding” means the Grants the Authority may award up to a total of \$142,500,000 for all Projects except Mobile Crisis Support Team personnel projects.
- (h) “Central Region” means the counties of Alpine, Amador, Calaveras, El Dorado, Fresno, Inyo, Kings, Madera, Mariposa, Merced, Mono, Placer, Sacramento, San Joaquin, Stanislaus, Sutter, Tulare, Tuolumne, Yuba, and Yolo.
- (i) “Counties Applying Jointly” means counties that submit an Application together for a Project to deliver crisis services.
- (j) “Crisis Intervention” means crisis intervention as defined in Section 1810.209 of

Title 9 of the California Code of Regulations.

(k) “Crisis Residential Treatment” means crisis residential treatment services as defined in Section 1810.208 of Title 9 of the California Code of Regulations.

(l) “Crisis Stabilization” means crisis stabilization as defined in Section 1810.210 of Title 9 of the California Code of Regulations.

(m) “Executive Director” means the executive director of the Authority.

- (n) “Final Allocation” means the Grant amount approved by the Authority.
- (o) “First Funding Round” means the initial time period during which Applications may be submitted for consideration of funding by the Authority.
- (p) “Going Concern Qualification” means an opinion of an independent accounting firm auditor that there is substantial doubt regarding the entity's ability to continue into the future, generally defined as the following year.
- (q) “Grant” means an award of funds to an Applicant.
- (r) “Grant Agreement” means a written agreement between the Authority and a Grantee that consists of the terms and conditions of the Grant.
- (s) “Grant Award Letter” means the official notification that a Grant has been approved by the Authority.
- (t) “Grant Period” means the time period from the date of Final Allocation to the date set by the Authority for the Grant to end.
- (u) “Grantee” means a county, private nonprofit corporation or public agency that has been awarded or designated to receive Grant funds.
- (v) “Initial Allocation” means the Grant amount the Authority Staff recommends the Authority approve for Final Allocation as further described in Section 7120.
- (w) “Lead Grantee” means the county or joint powers authority with a county as a member designated on the Application to have the primary responsibility for the fiscal management of Grant funds, records retention, reporting and all of the other aspects of compliance with this Chapter and the Grant Agreement.
- (x) “Los Angeles Region” means the County of Los Angeles and all communities within it.
- (y) “Mobile Crisis Support Team” means a mobile unit staffed by designated personnel, which may include peers, dispatched to assist individuals experiencing mental health issues.
- (z) “Personnel Funding” means the Grants the Authority may award up to a total of \$6,800,000 to fund Mobile Crisis Support Team personnel.
- (aa) “Program” means Crisis Stabilization, Crisis Residential Treatment, or Mobile Crisis Support Teams and the Crisis Intervention and Rehabilitative Mental Health Services provided therein.

(bb) "Project" means startup or expansion of Program(s) and acquisition, construction, renovation or financing of capital assets; or equipping and staffing a Mobile Crisis Support Team.

(cc) "Rehabilitative Mental Health Services" means rehabilitative mental health services as defined in Section 1810.243.1 of Title 9 of the California Code of Regulations.

(dd) “Related Supports” means local service providers who interact with individuals before, during and after a mental health crisis, including health care providers (such as hospitals, clinics, and substance abuse providers), law enforcement, mental health providers and peer support services, social services, triage personnel, housing providers, and other supports within the continuum of care.

(ee) “Southern Region” means the counties of Imperial, Kern, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura.

(ff) “Subsequent Funding Rounds” means any specified time period after the First Funding Round during which Applications may be submitted to be considered for funding by the Authority, subject to the availability of funds.

(gg) “Superior Region” means the counties of Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Nevada, Plumas, Shasta, Sierra, Siskiyou, Tehama, and Trinity.

(hh) “Target Population(s)” means the specific group(s) of people identified as the intended beneficiaries of the Program(s) to be funded by a Grant, including individuals eligible for Medi-Cal and individuals eligible for county health and mental health services.

NOTE: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.

Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7114. ELIGIBILITY.

(a) The following entities are eligible to apply for a Grant under the Investment in Mental Health Wellness Grant Program:

(1) A county.

(2) Counties Applying Jointly.

(3) A private nonprofit corporation or public agency designated by a county or Counties Applying Jointly to be a co-Applicant with the county or Counties Applying Jointly.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.

Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7115. ELIGIBLE PROJECT COSTS.

(a) Eligible costs for Capital Funding are:

(1) Purchase of real property.

(2) Construction or renovation, including costs of Project planning or Project management, appraisals, inspections, and pre-construction costs such as permit fees, surveying, architectural, and engineering fees.

(3) Furnishings or equipment, including the purchase of vehicles for Mobile Crisis Support Teams and maintenance contracts for the vehicles for up to two years.

(4) Information technology hardware and software, not to exceed 1% of total Project costs except when approved by the Authority and only upon submission of justification that the additional information technology costs are necessary for the Project to achieve the desired goals and outcomes set forth in Section 7119.

(5) Up to three months of Program startup or expansion costs consisting of lease payments, utilities, repairs or maintenance of facilities, personnel costs, moving expenses, cleaning supplies or supplies for offices, kitchens and bathrooms. Supplies do not include foods, beverages or medications.

(b) Eligible costs for Personnel Funding are employee salaries and benefits specific to staff the new vehicles funded by a Grant for the Mobile Crisis Support Team(s). Salaries and benefits shall be consistent with the compensation policies of the employer.

(c) Grant funds shall be used only for reasonable costs directly related to and essential for the completion of the Project.

(d) Eligible costs include only those incurred during the Grant Period.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7116. GRANT APPLICATION.

(a) Entities that meet the eligibility requirements of Section 7114 may apply for a Grant.

(b) Applications with multiple Applicants shall designate one of the Applicants as Lead Grantee should a Grant be awarded.

(c) If a Project with the same Applicants includes multiple Programs, only a single Application is required.

(d) Application forms shall be available on the Authority's website at www.treasurer.ca.gov/chffa and at the Authority's Office located at 915 Capitol Mall, Room 590, Sacramento, California 95814 and will be referred to as the Investment in Mental Health Wellness Grant Program Application Form No. CHFFA 7 MH-01 (Rev.05/2015).

(1) An original and two copies of the Application shall be received no later than 5:00 p.m. Pacific Time on the deadline date posted on the Authority's website at www.treasurer.ca.gov/chffa and may be sent to:

California Health Facilities Financing

Authority 915 Capitol Mall, Room 590

Sacramento, California 95814

or the Application may be emailed as a Portable Document Format (PDF) attachment to chffa@treasurer.ca.gov. The Authority is not responsible for email transmittal delays or failures of any kind.

(2) Incomplete Applications and Applications received by the Authority after the deadline date and time of the funding round shall not be accepted for review in that funding round.

(3) Applications shall be considered final as of the deadline date and time. No additional information or documents shall be accepted by the Authority after that date, except as specifically requested by the Authority.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7117. FUNDING ROUNDS AND APPLICATION DEADLINES.

(a) The deadline for the First Funding Round shall be the first working day following the 60th day after the date regulations are filed with the Secretary of State.

(b) Subsequent Funding Rounds: If funds are available, the deadline for Subsequent Funding Rounds shall be posted on the Authority's website at www.treasurer.ca.gov/chffa.

(c) Notices of deadlines will be posted on the Authority's website and sent to the Authority's listserv to which anyone may subscribe at www.treasurer.ca.gov.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7118. MAXIMUM GRANT AMOUNTS.

(a) Until January 1, 2016, the Authority shall award Capital Funding totaling no more than

the

following maximums per region:

(1)	Bay Area Region	\$26,000,000
(2)	Central Region	\$25,000,000
(3)	Los Angeles Region	\$40,000,000
(4)	Southern Region	\$45,000,000
(5)	Superior Region	\$6,500,000

(b) Until June 30, 2015, Applicants may apply for Capital Funding totaling no more than the following maximum Grant amounts per county, according to the most recent population projection by the California Department of Finance at the time the Application is submitted:

	County Population	Maximum
(1)	100,000 or less	\$500,000
(2)	Between 100,001 and 400,000	\$1,000,000
(3)	Between 400,001 and 600,000	\$2,000,000
(4)	Between 600,001 and 1,100,000	\$4,000,000
(5)	Between 1,100,001 and 2,500,000	\$7,000,000
(6)	Between 2,500,001 and 9,000,000	\$11,000,000

(c) Until January 1, 2016, Applicants may apply for Personnel Funding totaling no more than the following maximums per region:

(1)	Bay Area Region	\$1,240,000
(2)	Central Region	\$1,193,000
(3)	Los Angeles Region	\$1,909,000
(4)	Southern Region	\$2,147,000
(5)	Superior Region	\$311,000

(d) Subdivision (b) does not apply to the County of Los Angeles.

(e) Counties Applying Jointly may, at their discretion, apply for up to the sum of their respective maximum Capital Funding and Personnel Funding amounts.

(f) If funds for Capital Funding remain after Final Allocations have been awarded for Applications submitted by June 30, 2015, Applications may be submitted without regard to previous maximum Grant amounts per county.

(g) If funds for Capital Funding remain after Final Allocations have been awarded for Applications submitted by January 1, 2016, Applications may be submitted without regard to previous maximum Grant amounts per region, and Grant awards for Capital Funding shall be made on a statewide competitive basis.

(h) If funds for Personnel Funding remain after Final Allocations have been awarded for Applications submitted by January 1, 2016, Applications may be submitted without regard to previous maximum Grant amounts per region, and Grant awards for Personnel Funding shall be made on a statewide competitive basis.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7119. EVALUATION CRITERIA.

(a) Applications shall be scored on the following criteria:

(1) PROJECT EXPANDS ACCESS TO AND CAPACITY FOR COMMUNITY BASED MENTAL HEALTH CRISIS SERVICES THAT OFFER RELEVANT ALTERNATIVES TO HOSPITALIZATION AND INCARCERATION. (MAXIMUM 30 POINTS)

(A) Project proposes new or expanded Crisis Stabilization, Crisis Residential Treatment and/or Mobile Crisis Support Team Programs to be funded by the Grant, describes the services within the Programs, and clearly identifies the Target Population(s) to be served. (Maximum 5 points)

(B) Project meets the community need existing within the current continuum, seeks to address who does and does not receive services now, and is designed to address the weaknesses of the current system and build on its strengths. (Maximum 3 points)

(C) Project increases capacity for community based mental health crisis services. The Application shall identify the number of Crisis Stabilization and Crisis Residential Treatment beds that will be added and how the number added impacts the Target Population(s) and translates into a number of additional individuals that can be served in the community. (Maximum 7 points)

(D) Project expands and improves timely access to community based mental health crisis services. The Application shall address how access is expanded and improved for the community. Examples include extending hours of existing services; adding locations where services can be accessed by consumers and their family members; undertaking efforts to timely connect consumers to crisis services from other venues like hospitals; engaging in new outreach to families and consumers so they know new or expanded services are available; and addressing cultural, language, and other barriers unique to the community. (Maximum 7 points)

(E) Project is qualitatively different than crisis services delivered in an institutional setting (such as a hospital emergency room, an in-patient hospital setting or a law enforcement vehicle) and clearly describes the proposed staffing, the community setting in which the Programs will be offered and the building or vehicles in which services will be provided. (Maximum 5 points)

(F) Project leverages public and private funding sources to complete the Project. (Maximum 3 points)

(2) APPLICATION DEMONSTRATES A CLEAR PLAN FOR A CONTINUUM OF CARE BEFORE, DURING, AND AFTER CRISIS MENTAL HEALTH INTERVENTION OR TREATMENT AND FOR COLLABORATION AND INTEGRATION WITH OTHER HEALTH SYSTEMS, SOCIAL SERVICES, AND LAW ENFORCEMENT. (MAXIMUM 20 POINTS)

(A) Project fits in with the continuum of care as it presently exists in the community. The Application identifies the shortcomings that exist within the continuum and how the Project will improve the existing continuum of care for individuals utilizing mental health crisis services, including whether Applicant contemplates submitting an application to the Mental Health Oversight and Accountability Commission for triage personnel. (Maximum 8 points)

(B) Application identifies working relationships with Related Supports that already exist and which will be established to enhance and expand community-based collaboration designed to maximize and expedite access to crisis services for the purpose of avoiding unnecessary hospitalization and incarceration and improving wellness for individuals with mental health disorders and their families. For example, an enhancement may include training of local law enforcement, current crisis providers, hospitals and other related providers on how to properly respond to individuals experiencing a mental health crisis. An expansion may include adding a supportive housing provider to the local collaboration for post-crisis residential placements. (Maximum 12 points)

(3) Identifies Key Outcomes and a Plan for Measuring Them. (Maximum 20 points)

(A) Application includes methodology, timeline and assignment of responsibility to measure and demonstrate outcomes of the Project, including the following:

(i) Reduced average disposition time for visits to emergency rooms of local hospitals. (Maximum 2 points)

(ii) Reduced hospital emergency room and psychiatric inpatient utilization. (Maximum 3 points)

(iii) Reduced law enforcement involvement on mental health crisis calls, contacts, custodies and/or transports for assessment. (Maximum 2 points)

(iv) Improvements in participation rates by consumers in outpatient mental health services, and case management services, and more placements by outreach workers. (Maximum 2 points)

(v) Consumers' and/or their family members' (when appropriate) satisfaction with the crisis services the consumer received. (Maximum 2 points)

(vi) Number of Crisis Residential Treatment and Crisis Stabilization beds and Mobile Crisis Support Team personnel and vehicles added. (Maximum 2 points)

(vii) Whether the Target Population is being served and other individuals who may be being served. (Maximum 2 points)

(viii) The value of the Program(s), such as mitigation of costs to the county, law enforcement, or hospitals. An example of such value is: The utilization of Crisis Residential Treatment costs “X” dollars and utilization of inpatient hospitalization would have cost “X” dollars, therefore value approximates “X” dollars. (Maximum 3 points)

(ix) The percent of individuals who receive a crisis service who, within 15 days, and within 30 days, return for crisis services at a hospital emergency department, psychiatric hospital or jail. (Maximum 2 points)

(4) PROJECT IS FEASIBLE, SUSTAINABLE, AND READY OR WILL BE FEASIBLE, SUSTAINABLE AND READY WITHIN NINE MONTHS OF THE FINAL ALLOCATION. (MAXIMUM 30 POINTS)

(A) Project timeline is clear and includes details of the following: (Maximum 7 points

)

(i) Key milestones in the future and completed to date, including projected or actual Project start date (such as date of purchase, renovation or lease) and end date (such as date of occupancy).

(ii) A description of the status of use permits, licensure and/or other approval processes.

(iii) Staffing status.

(iv) Projected date services will begin to be provided to consumers.

(v) A narrative description of processes that may affect the timeline to start providing services, such as site identification and acquisition, contracting, local use permit process, California Environmental Quality Act process, licensure and certification.

(vi) A narrative description identifying potential challenges and how those challenges will be mitigated.

(B) Project has sufficient funding sources or has a plan for getting them, and proposed uses of funding are acceptable and the following are included: (Maximum 10 points)

(i) The amount of funding from funding sources, other than the Grant, including the amount of funding and the current status of the funding.

(ii) The proposed uses of funds includes a budget for startup costs

(not to exceed three months), if applicable. The total uses shall not exceed the total of all available funding sources.

(iii) A description of how the Grant funds, as well as other grants, loans, or internal funds, will be used to ensure Grant funds will not be used for ineligible costs as described in Section 7115.

(C) Lead Grantee is creditworthy and has satisfactory financial capacity as indicated in its most recent local government credit rating or three most recent years of Audited Financial Statements which may not contain a Going Concern Qualification. (Maximum 5 points)

(D) Application includes a budget that details annual projected operating costs and a description of new Program funding sources with amounts and cash flow projections and/or how existing funding will be redirected to provide on-going support for new and expanded services, including documentation such as funding letters, minutes from the Board of Supervisors meeting evidencing approval of the budget, or other documentation acceptable to the Authority. (Maximum 3 points)

(E) A qualified service provider has been identified or a plan is in place for identifying one and the following are addressed: (Maximum 5 points)

(i) If a service provider that will operate Program(s) has already been identified, written plans and policies in place for the care that will be provided shall be described. These include statement of admission and discharge criteria; psychiatric policies and practices; description of range of services offered; and information about the service provider including expertise in mental health care, purpose, goals, and services of the organization.

(ii) A service provider already licensed by the California Department of Social Services shall be in Substantial Compliance as defined in Section 80001 of Title 22 of the California Code of Regulations.

(iii) If a service provider has not been identified, the process, criteria for selection and timeline for identification are clear.

(F) For proposed Crisis Stabilization or Crisis Residential Treatment Programs, Application demonstrates certainty of Medi-Cal certification, and for proposed Crisis Residential Treatment Programs, Application demonstrates certainty of state licensure. (Required, but no points awarded)

(i) Includes discussion of how service provider will cooperate and comply with Community Residential Treatment Services Program certification process and any related certification process for any Crisis Stabilization Program proposed.

(ii) For proposed Crisis Residential Treatment Programs, includes confirmation that structured day and evening services will be available seven days a week, and services will include individual and group counseling; crisis intervention; planned activities; counseling, with available members of the consumer's family, when indicated in the consumer's treatment or rehabilitation plan; the development of community support systems for consumers to maximize their utilization of non-mental health community

resources; pre-vocational or vocational counseling; consumer advocacy, including assisting consumers to develop their own advocacy skills; an activity program that encourages socialization within the program and general

community, and which links the consumer to resources which are available after leaving the program; and use of the residential environment to assist consumers in the acquisition, testing, or refinement of community living and interpersonal skills.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7120. INITIAL ALLOCATION.

- (a) Authority Staff will evaluate the Application's completeness, responsiveness, and clarity in addressing the criteria described in Section 7119.
- (b) The scores from each reviewer of the Authority Staff will be added and the average of the scores will be calculated. The average score will be the final score assigned to the Application.
- (c) The Authority Staff will make Initial Allocations based on the final score assigned to each Application, and present the Initial Allocations to the Authority for Final Allocations.
- (d) Notification of Initial Allocations will be sent to Applicants before the public meeting at which the Authority will determine Final Allocations.
- (e) During any funding round, Initial Allocations shall be limited to Applications which receive a minimum of 70 points under Section 7119.
 - (1) Applications shall score a minimum of 24 points under Section 7119, subdivision (a)(4) to be considered for an Initial Allocation.
 - (2) Applications receiving a score of zero points in any criteria in Section 7119, subdivision (a)(1) or (a)(2) shall not be considered for an Initial Allocation.
- (f) Following Initial Allocations made pursuant to subsection (e), Initial Allocations may be considered for Applications scoring less than 70 points to achieve the statewide objectives of a minimum of 2,000 Crisis Stabilization and Crisis Residential Treatment beds and 25 Mobile Crisis Support Teams.
- (g) Initial Allocations may be less than the amount requested in the Application to fund more Grants, control Project costs, or achieve the statewide objective of a minimum of 2,000 new Crisis Stabilization and Crisis Residential Treatment beds and 25 new Mobile Crisis Support Teams.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7121. APPEALS.

(a) Availability.

(1) The Applicant designated as Lead Grantee on an Application may, on behalf of all Applicants listed on an Application, appeal the amount of the Initial Allocation recommended by Authority Staff for that Application, including an Authority Staff determination not to recommend a Grant. No Applicant may appeal an Initial Allocation made to another Applicant.

(b) Timing.

(1) The appeal shall be submitted to the Executive Director no later than five calendar days following the date of the notification of Initial Allocation.

(2) Appeals may be submitted to the Executive Director by email, mail or delivery to:

California Health Facilities Financing
Authority 915 Capitol Mall, Room 590
Sacramento, California 95814

Email address: chffa@treasurer.ca.gov

(c) Review.

(1) The Executive Director shall review the appeal based on the Application as originally submitted. Any new or revised Application or additional documentation or information that was not submitted in the Application shall not be considered.

(2) The Executive Director shall make a decision on the merit of the appeal and notify the Applicant of the decision no later than 20 calendar days after receipt of the appeal.

(3) The decision of the Executive Director may be appealed to the Authority, by written notification to the Executive Director within five calendar days of the date of the Executive Director's decision.

(4) The Authority shall make a final decision on an appeal of the Executive Director's decision at a public meeting.

(d) Successful appeals.

(1) An Initial Allocation to an Applicant based on the appeal may result in a reduction or elimination of Initial Allocations to other Applicants that would have

otherwise received an Initial Allocation.

(2) Adjustments to any Initial Allocations following any appeals may not be appealed. Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions

Code. Reference:

Section 5848.5, Welfare and Institutions Code.

SECTION 7122. FINAL ALLOCATION.

- (a) Final Allocations shall be determined by the Authority at a public meeting.
- (b) A Grant Award Letter that includes the following shall be sent to all Applicants approved for a Final Allocation:
 - (1) Name(s) of the Grantee.
 - (2) Grant amount.
 - (3) The Grant Period.
 - (4) A description of the costs to be funded by the Grant.
 - (5) A request for a resolution of the governing board authorizing an official to accept the Grant and all responsibilities flowing therefrom.
 - (6) Notification that the funds for a Grant under the Investment in Mental Health Wellness Act of 2013 are subject to availability of funds.
 - (7) A statement that the Authority reserves the right to modify or cancel the commitment upon failure of the Applicant to execute a Grant Agreement or otherwise fail to comply with this Article or if the Authority becomes aware of any matter which, if known at the time of Application review and approval, would have resulted in the rejection of the Application or the Grant not being approved.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7123. USE OF THE GRANT.

- (a) Grant funds shall only be used for the purposes described in the Grant Agreement.
- (b) Grant funds may supplement but not supplant existing financial or resource commitments.
- (c) Grantee may request a change in the use of Grant funds or request an extension of the Grant Period by submitting a written request to the Authority that documents the reason(s) the change is needed and demonstrates it is consistent with the Investment in Mental Health Wellness Act of 2013 and this Chapter.
- (d) Grantee shall not make changes to the uses of Grant funds until receipt of written approval from the Authority.
- (e) Grantee shall not dispose of any capital asset acquired by Grant funds before the end

of the useful life of the asset.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7124. GRANT AGREEMENT.

(a) The terms and conditions of a Grant shall be set forth in a Grant Agreement which shall include, at a minimum, all of the following:

- (1) The Grant amount.
- (2) A description of the Project.
- (3) Release of Grant Funds procedures in accordance with Section 7125, as applicable.
- (4) Agreement that the Grantee shall comply with the Investment in Mental Health Wellness Act of 2013 and this Chapter, including, but not limited to, Section 7123.
- (5) The Grantee shall defend, indemnify and hold harmless the Authority and the State of California, and all officers, trustees, agents and employees of the same, from and against any and all claims, losses, costs, damages or liabilities of any kind or nature, whether direct or indirect, arising from or relating to the Grant or Project.
- (6) The Grantee shall comply with state and federal laws prohibiting discrimination, including those prohibiting discrimination because of sex, race, color, ancestry, religion, creed, national origin, physical disability (including HIV and AIDS) mental disability, medical condition (including cancer or genetic characteristics), sexual orientation, political affiliation, position in a labor dispute, age, marital status and denial of statutorily-required, employment-related leave.
- (7) Grantee shall comply with California's prevailing wage law under Labor Code Section 1720 et seq. for public works projects.
- (8) Grantee shall cooperate in inspections and audits.
- (9) Notification that subject to the availability of funds, the Grant may be rescinded or reduced.
- (10) Provisions relating to lease agreements, if applicable, pursuant to Section 7126.
- (11) Resolution of the Authority authorizing the Grant.
- (12) Resolution of the Grantee's governing board accepting the Grant and delegating authority to an officer to act on its behalf.
- (13) Provision regarding default and its remedies, including forfeiture and return of the Grant funds to the Authority.

(14) Provision requiring Grantee to provide updated information upon request from Authority Staff to determine the Project's readiness and feasibility.

(15) Other terms and conditions that may be required by the Authority related to the Grant or Project.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.

Reference: Section 5848.5, Welfare and Institutions Code

SECTION 7125. RELEASE OF GRANT FUNDS.

(a) Grant funds shall not be released until the following requirements have been met:

(1) A Grant Agreement has been executed by the Authority and Grantee.

(2) The Grantee has submitted to the Authority the following documentation, if available. If not available, Grantee has submitted a detailed statement concerning the status of obtaining any or all of this documentation to enable Authority Staff to determine readiness and feasibility.

(A) For construction or renovation.

(i) Detail of building plans, costs, and timelines.

(ii) Executed construction contract.

(iii) Architect, design and engineering contracts, if applicable.

(iv) Building permits and conditional use permits, if applicable.

(v) Evidence of compliance with the California Environmental Quality Act.

(vi) Evidence of compliance with prevailing wage law under Labor Code Section 1720 et. seq.

(vii) Evidence of property ownership, such as a grant deed or lease agreement and title report as required under Section 7126.

(viii) In addition to subdivisions (a)(2)(A)(i-vii), prior to the release of Grant funds to a private nonprofit corporation or public agency designated by a county or Counties Applying Jointly for construction or renovation on real property acquired with Grant funds by the designated private nonprofit corporation or public agency, the designated private nonprofit corporation or public agency shall execute a Grant Agreement and agree to comply with Section

7125.1. The Lead Grantee may request the Authority to release the Grant funds to the

designated private nonprofit corporation or public agency or to the Lead Grantee for

disbursement to the designated private nonprofit corporation or public agency. The

designated private nonprofit corporation or public agency shall return the Grant funds to the Authority if the designated private nonprofit corporation or public agency fails to comply with Section 7125.1.

(B) For real property acquisitions:

appraiser. (i) An appraisal completed within the previous six months by a state certified

(ii) In addition to subdivision (a)(2)(B)(i), prior to the release of Grant funds to a private nonprofit corporation or public agency designated by a county or Counties Applying Jointly to acquire real property, the designated private nonprofit corporation or public agency shall execute a Grant Agreement and agree to comply with Section 7125.1. The Lead Grantee may request the Authority to release the Grant funds to the designated private nonprofit corporation or public agency, or to the Lead Grantee for disbursement to the designated private nonprofit corporation or public agency. The designated private nonprofit corporation or public agency shall return the Grant funds to the Authority if the designated private nonprofit corporation or public agency fails to comply with Section 7125.1.

(C) For acquisition of supplies, furniture and equipment including vehicles: A list of items to be purchased and a copy of related purchase orders.

(D) For personnel costs:

(i) Staffing plan, including number of full time equivalent staff.

(ii) Job description or duty statement for each position, including minimum qualifications and any licensing or certification preferred or required.

(iii) Documentation of salary or hourly wage rate, if applicable.

(iv) Documentation of employer's contribution of benefits.

(v) Documentation that confirms salaries and benefits to be paid are consistent with the Applicant's compensation policies.

(E) For other eligible costs: Contracts and/or purchase orders.

(3) The Authority Staff has determined the Project is ready and feasible.

(A) The determination that the Project is ready and feasible may occur at the time of Initial Allocation or within nine months following Final Allocation.

(B) If the determination is made after Final Allocation, the determination shall be based on updated information provided to the Authority by Grantee in accordance with Section 7124(a)(14).

(C) Limited extensions beyond nine months as set forth in subdivision (3)(A) shall be made on a case-by-case basis at the discretion of the Executive Director for good cause, such as reasonable delays associated with obtaining building and conditional use permits, obtaining California Environmental Quality Act compliance documentation, or identifying a qualified provider.

(D) Failure to demonstrate readiness and feasibility within the timeframes dictated by the Authority shall cancel the Grant and the Grant funds shall be made available to other Applicants.

(4) The Grantee has submitted to the Authority a completed Request for Disbursement

Form No. CHFFA 7 MH-02 (Rev.06/2014). Except for the initial submission of the Request
for

Disbursement Form No. CHFFA 7 MH-02 (Rev.06/2014), a status report and Actual Expenditures Report Form No. CHFFA 7 MH-03, (Rev.06/2014) as required by Section 7128, subdivisions (a)(1) and (a)(2) shall accompany all Requests for Disbursement Form No. CHFFA 7 MH-02 (Rev.06/2014).

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7125.1. GRANT FUNDS TO A DESIGNATED PRIVATE NONPROFIT CORPORATION OR PUBLIC AGENCY FOR REAL PROPERTY ACQUISITION, CONSTRUCTION OR RENOVATION.

(a) The Authority may, at its discretion, give consideration to a private nonprofit corporation or public agency in an area or region of the state if a county, or Counties Applying Jointly, affirmatively supports this designation and collaboration in lieu of a county directly receiving Grant funds for real property acquisition or for construction or renovation on real property acquired with Grant funds by the designated private nonprofit corporation or public agency. The designated private nonprofit corporation or public agency shall comply with all of the following requirements:

(1) The designated private nonprofit corporation or public agency shall provide the Program(s) services.

(2) The designated private nonprofit corporation or public agency shall execute a Grant Agreement that:

(A) Complies with the provisions contained in Section 7124.

(B) Provides that in the event the designated private nonprofit corporation or public agency fails to provide Crisis Residential Treatment or Crisis Stabilization services as provided in the Grant Agreement, title to the real property shall be given to the county or Counties Applying Jointly.

(i) In the event the county or Counties Applying Jointly do not take and hold title to the real property when the designated private nonprofit corporation or public agency fails to provide Crisis Residential Treatment or Crisis Stabilization services as provided in the Grant Agreement, the Authority may take any action necessary to take and hold title to the real property.

(3) The designated private nonprofit corporation shall provide, upon request,

Audited Financial Statements and shall retain all Project and financial records necessary to substantiate the purposes for which the Grant funds were spent for a period of three years after the certification of Project completion has been submitted.

(4) The designated private nonprofit corporation or public agency shall provide, upon request, a current title report that shows all of the following:

(A) No easements, exceptions or restrictions on the use of the site that shall interfere with or impair the operation of the Project.

(B) A fee title subject to the lease agreement described in subdivision (a)(5).

(C) A deed of trust recorded in the chain of title against the real property that contains the lease agreement described in subdivision (a)(5).

(5) The designated private nonprofit corporation or public agency shall enter into a lease agreement with the county or Counties Applying Jointly for use of the real property for Crisis Residential Treatment or Crisis Stabilization for the useful life of the Project, including any renewals. The lease agreement shall provide that:

(A) In the event the designated private nonprofit corporation or public agency fails to provide Crisis Residential Treatment or Crisis Stabilization services as provided in the Grant Agreement, title to the real property shall be given to the county or Counties Applying Jointly.

(i) In the event the county or Counties Applying Jointly do not take and hold title to the real property when the designated private nonprofit corporation or public agency fails to provide Crisis Residential Treatment or Crisis Stabilization as provided in the Grant Agreement, the Authority may take any action necessary to take and hold title to the real property.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.

Reference: Section 5848.5, Welfare and Institutions Code

SECTION 7126. REQUIREMENTS FOR CONSTRUCTION PROJECTS ON LEASED PROPERTY

(a) A Grantee may use Grant funds for construction or renovation on property that is leased to the Grantee. The following requirements shall be satisfied prior to release of Grant funds:

(1) The lease agreement shall provide the Grantee, as lessee, full access to the site to carry out the Project.

(2) The term of the lease agreement shall be at least as long as the useful life of the Project.

(3) The lease agreement shall provide that any existing or subsequent encumbrance on the property (e.g. deed of trust) or sale of the property shall be subject to the lease agreement.

(4) The lease agreement shall provide that the only remedy for any default by

Grantee, including failure to pay rent, is suit for rent or specific performance to remedy specific breach. The landlord's remedies for any default by Grantee may not include cancellation of lease agreement, retaking of property or eviction of Grantee.

(5) A current title report on the site, brought up to date as of the effective date of the lease agreement shall be provided to the Authority. The title report shall show all of the following:

(A) No delinquent taxes or assessments or, if there are delinquent taxes or assessments, these are being contested in good faith.

(B) No easements, exceptions or restrictions on the use of the site that shall interfere with or impair the operation of the Project.

(C) A restrictive covenant recorded in the chain of title that the property shall be used only for Crisis Residential Treatment or Crisis Stabilization during the useful life of the leasehold improvements funded by the Grant.

(D) Fee title is subject to the lease agreement and recorded in the chain of title.

(b) If the lease agreement terminates prior to the end of the useful life of the Project and the property that was subject to the lease agreement is not simultaneously released under a new lease agreement that complies with the requirements of this Section or fee title to the property that was subject to the lease agreement is not simultaneously transferred to the Grantee, the Authority is entitled to recover the Grant funds.

(c) When a Project on leased property includes improvements to any common areas that are shared with other tenants or areas that are not leased by the Grantee, the Grant funds shall be limited only to the proportionate costs of the Project which exclude the costs related to such areas.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7127. RECOVERY OF FUNDS FOR NON-PERFORMANCE AND UNUSED GRANT FUNDS; REMEDIES.

(a) If the Authority determines that Grant funds were not used consistent with the Investment in Mental Health Wellness Act of 2013, this Chapter or the Grant Agreement, the Authority may require remedies, including the forfeiture and return of the Grant funds to the Authority.

(b) If the Grantee fails to timely begin or complete the Project, the Authority may require remedies including forfeiture and return of the Grant funds to the Authority.

(c) Unused funds and any unused investment earnings on such Grant funds shall be returned by the Grantee to the Authority no later than the date of the certification of Project completion.

(d) In the event the county or Counties Applying Jointly do not take and hold title to the real property as provided in Section 7125.1, the Authority may take any action necessary to take and hold title to the real property.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code.
Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7128. REPORTING REQUIREMENTS.

(a) The Grantee shall submit a status report and a completed Actual Expenditures Report Form No. CHFFA 7 MH-03 (Rev.06/2014) within 45 days following the completion of the periods ending on June 30 and December 31 of each year during the Grant Period, pursuant to Section 7125, subdivision (a)(4), and upon the Authority's request.

(1) Status reports to the Authority shall include:

(i) A description of activities performed for the Project and activities related to Project operations, including population served, if applicable, since the date of the preceding status report or initial Request for Disbursement Form No. CHFFA 7 MH-02 (Rev.06/2014), as applicable.

(ii) A summary of incurred costs and expenditures related to the Project consistent with cost information submitted in the Application and an explanation of any variances from the Application.

(iii) A summary of data or preliminary evaluation results, available to date, related to all outcomes described in Section 7119, subdivision (a)(3) and a description of any challenges in obtaining relevant data.

(iv) A summary of other funding sources utilized for the Project.

(v) A description of remaining work to be completed for the Project and an estimated timeline or schedule for the completion of that work.

(vi) A description of whether the Project is within the proposed budget and, if not, the reasons for any differences and the actions that will be taken to ensure that the Project has sufficient funding for completion.

(2) The Actual Expenditures Report Form No. CHFFA 7 MH-03 (Rev.06/2014) shall be accompanied by evidence of payment and documentation acceptable to the Authority sufficient to establish eligibility of costs incurred and expenditure of Grant funds such as executed purchase and sale agreement, proof of title, cancelled checks, proof of wire transfers, receipts and time sheets.

(b) Grantee shall submit a completed Certificate of Completion and Final Report Form No. CHFFA 7 MH-04 (Rev.06/2014) and the following documentation, as applicable, within 60 days of Project completion:

(1) For all Projects:

(A) License and certification of Program(s) if applicable.

(B) Summary of sources and uses of funds that show that the Grant and any investment earnings on Grant funds did not exceed the cost of the Project.

(C) Project's outcomes described in Section 7119 subdivision (a)(3) and key milestones and accomplishments .

(2) For Projects that include real property acquisition: Final closing statement with certification by the title company.

(3) For Projects that include building construction or renovation: Certificate of occupancy.

(4) For Projects that include vehicle acquisition: Executed sales agreement or title.

(c) After submission of the Certificate of Completion and Final Report, Grantees shall submit annual reports to the Authority through June 30, 2016 to report on Project key milestones, accomplishments, and outcomes, including a discussion of the populations being served. This report shall be certified by an authorized officer of the Grantee. Authority Staff may request annual reports after June 30, 2016 to continue tracking accomplishments, outcomes and populations served.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code. Reference: Section 5848.5, Welfare and Institutions Code.

SECTION 7129. RECORDS RETENTION, INSPECTIONS AND AUDITS.

(a) Grantees shall retain all Project and financial records necessary to substantiate the purposes for which the Grant funds were spent for a period of three years after the certification of Project completion has been submitted.

(b) Co-Applicants that are a private nonprofit corporation shall provide, upon request, Audited Financial Statements to Authority Staff.

(c) Authority may perform site visits to inspect the Project during the Grant Period and may inspect and/or audit Project records during the Grant Period and for three years after the certification of Project completion has been submitted.

Note: Authority cited: Sections 5848.5 and 5848.6, Welfare and Institutions Code. Reference: Section 5848.5, Welfare and Institutions Code.

Exhibit G

The Restrictive Covenant

(Attach Executed Copy)

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM
GRANT AGREEMENT NUMBER ALMD-02**

COUNTY OF ALAMEDA

2000 EMBARCADERO COVE, 4TH FLOOR, OAKLAND, CA 94606

THIS AGREEMENT (the "Agreement") is made this 3rd day of December, 2015, between County of Alameda ("Grantee") and the California Health Facilities Financing Authority ("CHFFA" or the "Authority").

RECITALS:

- A. Grantee has applied to CHFFA for a grant from the Investment in Mental Health Wellness Grant Program to fund the hereinafter defined Project.
- B. CHFFA has determined that Grantee's Application meets eligibility requirements of the hereinafter defined Regulations.
- C. Subject to the availability of grant monies, CHFFA proposes to grant \$3,912,676.00 (the "Grant") to Grantee and provide at least some of the Grant funds directly to the Designated Grantee, if any, in lieu of the Grantee in consideration of, and on condition that the Grant be used for the purposes of the Project as described in Exhibit D attached hereto and on the terms and conditions contained herein.
- D. The purpose of this Agreement is to set forth the terms and conditions upon which CHFFA will provide the Grant for the Project.

NOW, THEREFORE, CHFFA and Grantee agree as follows:

ARTICLE I – DEFINITIONS

Section 1.1 – ACTUAL EXPENDITURES REPORT FORM means Actual Expenditures Report Form No. CHFFA 7 MH-03 (Rev.06/2014).

Section 1.2 – DESIGNATED GRANTEE means the nonprofit corporation or public agency designated by the Grantee to receive Grant funds for real property acquisition and construction or renovation on such real property.

Section 1.3 – GRANT DOCUMENTS means this Agreement, Grant Agreement between CHFFA and Designated Grantee, if any, and the Grantee's Application, including all exhibits to such documents.

Section 1.4 – GRANT PERIOD means the period beginning on December 3, 2015 and ending June 30, 2017, as such period may be extended upon the prior written approval of CHFFA, which shall become incorporated into this Agreement.

Section 1.5 – PROJECT means the project to be funded with the Grant as more particularly described in Grantee's Application and other Grant Documents, although the scope of the Project may be clarified in a report prepared by Authority Staff. The Authority may broaden the definition of the Project at its discretion to ensure the Project can provide

the intended services, so long as the broadening of the definition of the Project does not result in additional County funds to complete. Any written approval of CHFFA to expand the Project shall become incorporated into this Agreement.

Section 1.6 – REGULATIONS means the Investment in Mental Health Wellness Grant Program regulations at sections 7113 through 7129 of title 4 of the California Code of Regulations, as may be amended from time to time.

Section 1.7 – REQUEST FOR DISBURSEMENT FORM means Request for Disbursement Form No. CHFFA 7 MH-02 (Rev.06/2014).

Section 1.8 – Any capitalized terms used but not otherwise defined in this Agreement shall have the meaning set forth in the Regulations.

ARTICLE II – REPRESENTATIONS AND WARRANTIES

Grantee makes the following representations and warranties to CHFFA as of the date of execution of this Agreement and throughout the Grant Period:

Section 2.1 – LEGAL STATUS. Grantee is an “eligible applicant” as described in the eligibility requirements of Section 7114 of the Regulations and has full legal right, power and authority to enter into this Agreement and the other Grant Documents to which it is a party and to carry out and consummate all transactions contemplated hereby and by the other Grant Documents as evidenced, in part, by the Resolution of Grantee’s Governing Board attached herein as Exhibit C.

Section 2.2 – VALID AND BINDING OBLIGATION. This Agreement has been duly authorized, executed and delivered by Grantee, and is a valid and binding agreement of Grantee.

Section 2.3 – PROJECT AND ELIGIBLE COSTS. The Project and the eligible costs relating to the Project meet the requirements of the Regulations.

Section 2.4 – PROPERTY OWNERSHIP. Grantee or Designated Grantee, as applicable, will have obtained good and marketable fee title to the real property upon acquisition or prior to construction or renovation as applicable. If the Project includes construction or renovation located on real property to be leased by Grantee or otherwise not owned in fee title by Grantee, the requirements of Section 7126 of the Regulations will be satisfied prior to the initial disbursement of Grant funds for construction or renovation.

Section 2.5 – GRANT DOCUMENTS. Grantee has access to professional advice to the extent necessary to enable Grantee to comply with the terms of the Grant Documents.

ARTICLE III - CONDITIONS PRECEDENT TO EACH DISBURSEMENT

CHFFA’s obligation to make each disbursement of Grant funds during the Grant Period under this Agreement is subject to all of the following conditions:

Section 3.1 – DOCUMENTATION. This Agreement shall be fully executed and delivered by Grantee and CHFFA in form and substance satisfactory to CHFFA.

A Grant Agreement shall be fully executed and delivered by Designated Grantee, if any, and CHFFA in form and substance satisfactory to CHFFA.

Section 3.2 – REPRESENTATIONS AND WARRANTIES. The representations and warranties contained in Article II of this Agreement are true and correct as of the date of such disbursement and as certified by Grantee in the applicable Projected Expenditures Form.

Section 3.3 – NO EVENT OF DEFAULT. There shall exist no Event of Default under this Agreement, and there shall exist no event, omission or failure of condition, which, after notice or lapse of time, would constitute an Event of Default under this Agreement.

Section 3.4 – DISBURSEMENT REQUEST. Grantee shall have delivered to CHFFA a completed Request for Disbursement Form and any other information required by Sections 7125 and 7128 of the Regulations, satisfactory to the Authority.

Section 3.5 – READINESS AND FEASIBILITY. Grantee has submitted to the Authority sufficient documentation to enable Authority staff to conclude the Project is ready and feasible as more particularly described in Section 7125 (a)(2) and (a)(3) of the Regulations. The Authority Staff shall determine Project readiness and feasibility at the time of Initial Allocation or within nine (9) months following Final Allocation. Limited extensions beyond nine (9) months may be granted as set forth in Regulations Section 7125(a)(3)(C). Upon request, Grantee shall provide updated information necessary for the Authority to determine Project readiness and feasibility. Failure to demonstrate readiness and feasibility within the timeframes dictated by the Authority may cancel the Grant. In the event Grantee fails to complete the Project by the end of the Grant Period (inclusive of any extensions permitted by the Authority), the Authority may require remedies, including forfeiture and return of the Grant to CHFFA in accordance with the Regulations as set forth in Article VI below.

ARTICLE IV – GRANT DISBURSEMENT PROCEDURES

Section 4.1 – DISBURSEMENT PROCESS.

(a) **Initial Disbursements:** Initial disbursement of Grant funds shall be released upon the Authority's receipt of a completed Request for Disbursement Form and other information required by Section 7125(a)(2) of the Regulations, satisfactory to the Authority.

(b) **Subsequent Disbursements:** Subsequent disbursements of Grant funds shall be released upon receipt of a completed Request for Disbursement Form, a status report pursuant to Section 7128(a) of the Regulations, an Actual Expenditures Report Form, and any other information required by Sections 7125 and 7128 of the Regulations, satisfactory to the Authority.

(c) **Reports and Reconciliations:** CHFFA shall notify Grantee in writing within seven (7) business days of any deficiencies or discrepancies in the information, forms and reports submitted by Grantee, including any reconciliations the Authority deems necessary as may occur due to projected expenditures exceeding actual expenditures for any of the reporting periods. The Authority will not disburse any funds until Grantee addresses to the Authority's satisfaction, any deficiencies or discrepancies in the information, forms and reports submitted by Grantee. CHFFA may deduct the difference between actual expenditures and the disbursed amount from the next disbursement or the Grantee shall submit a refund for the difference.

Section 4.2 – AMOUNT OF DISBURSEMENT. The total amount of the Grant shall not exceed the amount authorized under this Agreement and may only be spent for eligible costs. Grant funds are subject to the availability of funds and may be rescinded or reduced. Grantee shall establish an account to deposit the Grant funds and shall maintain this account for purposes of payments of Project expenditures. A segregated sub-account may be used by Grantee provided the statement allows for the accounting of the receipt and expenditure of Grant funds, and the interest earned from these funds, separately from other funds in the account. Upon request, Grantee shall submit copies of all statements for such account or sub-account to CHFFA. At the end of the Grant Period (inclusive of any extensions permitted by CHFFA), any unused Grant funds, interest and investment earnings on such Grant funds revert to and shall be paid to the Authority.

Section 4.3 – REAL PROPERTY ACQUISITION BY DESIGNATED NONPROFIT CORPORATION OR PUBLIC AGENCY (DESIGNATED GRANTEE, IF ANY).

(a) Grantee affirmatively supports Grantee's designation of and collaboration with a designated nonprofit corporation or public agency in lieu of Grantee directly receiving Grant funds to acquire real property. Grantee may request the Authority to release Grant funds to the Designated Grantee, or to the Grantee for disbursement to the Designated Grantee. The Authority will not release Grant funds until and unless the following are met:

(1) An appraisal completed within the previous six months by a state certified appraiser.

(2) Designated Grantee shall execute a Grant Agreement and agree to comply with the Authority's requirements set forth below and in the Grant Agreement executed by Designated Grantee.

(i) Designated Grantee shall provide the services under the Program(s).

(ii) Designated Grantee shall execute a Grant Agreement with the provisions required in Section 7124 of the Regulations. The Grant Agreement shall also provide that in the event Designated Grantee fails to provide any of the services under the Program(s), title to the real property shall be given to Grantee. In addition, the Grant Agreement shall also provide that in the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property.

(iii) Designated Grantee shall provide, upon request, Audited Financial Statements and shall retain all Project and financial records necessary to substantiate the purposes for which the Grant funds were spent for a period of three years after the certification of Project completion has been submitted.

(iv) Designated Grantee shall provide, upon request, a current title report that shows all of the following:

(A) No easements, exceptions or restrictions on the use of the site that shall interfere with or impair the operation of the Project.

(B) A fee title subject to the lease agreement described below.

(C) A deed of trust shall be recorded in the chain of title against the real property and shall contain the lease agreement described below.

(v) Designated Grantee shall enter into a lease agreement with Grantee for use of the real property for Crisis Residential Treatment or Crisis Stabilization for the useful life of the Project, including any renewals. The lease agreement shall provide that in the event Designated Grantee fails to provide Crisis Residential Treatment or Crisis Stabilization as provided in the Grant Agreement, title to the real property shall be given to Grantee. In addition, the lease agreement shall also provide that in the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property.

(b) Grant funds shall be returned to the Authority if Grantee and/or Designated Grantee fails to comply with the Authority's requirements.

(c) In the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property. Grantee will assist in facilitating the transfer of title to the real property, and provide any documents and information requested by the Authority for this purpose.

(d) Grantee acknowledges that as Lead Grantee, Grantee is responsible for the completion of the Project and that Grantee shall ensure that the Designated Grantee complies with the requirements of the Grant (including Regulations and Statute). Failure by Grantee and/or Designated Grantee to comply with the requirements of the Grant (including Regulations and Statute) shall constitute an Event of Default under this Agreement.

Section 4.4 – REAL PROPERTY CONSTRUCTION OR RENOVATION BY DESIGNATED NONPROFIT CORPORATION OR PUBLIC AGENCY (DESIGNATED GRANTEE, IF ANY).

(a) Grantee affirmatively supports Grantee's designation of and collaboration with a designated nonprofit corporation or public agency in lieu of Grantee directly receiving Grant funds for construction or renovation of real property acquired with Grant funds under Section 4.3. Grantee may request the Authority to release Grant funds to the Designated Grantee, or to the Grantee for disbursement to the Designated Grantee. The Authority will not release Grant funds until and unless the following are met:

- (1) Grantee or Designated Grantee shall provide:
 - (i) Detail of building plans, costs, and timelines.
 - (ii) Executed construction contract.

- (iii) Architect, design and engineering contracts, if applicable.
- (iv) Building permits and conditional use permits, if applicable.
- (v) Evidence of compliance with the California Environmental Quality Act.
- (vi) Evidence of compliance with prevailing wage law under Labor Code Section 1720 et seq.

(vii) Evidence of property ownership, such as title report.

(2) Requirements under Section 4.3(a).

(b) Grant funds shall be returned to the Authority if Grantee and/or Designated Grantee fails to comply with the Authority's requirements.

(c) In the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property. Grantee will assist in facilitating the transfer of title to the real property, and provide any documents and information requested by the Authority for this purpose.

(d) Grantee acknowledges that as Lead Grantee, Grantee is responsible for the completion of the Project and that Grantee shall ensure that the Designated Grantee complies with the requirements of the Grant (including Regulations and Statute). Failure by Grantee and/or Designated Grantee to comply with the requirements of the Grant (including Regulations and Statute) shall constitute an Event of Default under this Agreement.

ARTICLE V – AFFIRMATIVE AND NEGATIVE COVENANTS

Section 5.1 – CERTIFICATE OF COMPLETION. Within 60 days following completion of the Project, Grantee shall certify to CHFFA that the Project is complete by submitting a Certificate of Completion and Final Report Form No. CHFFA 7 MH-04 (Rev.06/2014), and any other information required by Section 7128 of the Regulations, to the satisfaction of CHFFA.

Section 5.2 – COMPLIANCE WITH STATUTE AND REGULATIONS. Grantee shall comply with the requirements of the Investment in Mental Health Wellness Grant Program, Welfare and Institutions Code section 5848.5, the Regulations, and all other applicable laws of the State of California. Grantee agrees that continued compliance with these requirements is Grantee's responsibility.

Section 5.3 – AUDIT AND RECORDKEEPING PROVISIONS. Grantee shall maintain satisfactory financial accounts, documents and other records for the Project and shall retain all documentation necessary to substantiate the purposes for which the Grant funds were spent for a period of three years after the certification of Project completion has been submitted. Grantee agrees that the California State Auditor and Authority Staff may conduct periodic audits and inspections to ensure that Grantee is using the Grant consistent with Program requirements and the terms of this Agreement.

Section 5.4 – NOTICE TO CHFFA. Grantee shall promptly give notice in writing to CHFFA of any pending or threatened action related to the Project in which the amount claimed is in excess of twenty-five thousand dollars (\$25,000). Grantee shall promptly give notice in writing to CHFFA of any uninsured or partially uninsured loss related to the Project through fire, theft, liability, or otherwise in excess of an aggregate of twenty-five thousand dollars (\$25,000).

Section. 5.5 – RELEASE. Grantee shall waive all claims and recourse against CHFFA including the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Agreement, Grantee's use of the Grant funds, Grantee's operations, or the Project. The provisions of this Section 5.5 shall survive termination of this Agreement.

Section 5.6 – INDEMNIFICATION. Grantee shall defend, indemnify and hold harmless CHFFA and the State, and all officers, trustees, agents and employees of the same, from and against any and all claims, losses, costs, damages, or liabilities of any kind or nature, whether direct or indirect, arising from or relating to the Grant, the Project or the Program. The provisions of this Section 5.6 shall survive termination of this Agreement.

Section 5.7 – NON-DISCRIMINATION CLAUSE. Grantee shall comply with state and federal laws prohibiting discrimination, including those prohibiting discrimination because of sex, race, color, ancestry, religion, creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (including cancer or genetic characteristics), sexual orientation, political affiliation, position in a labor dispute, age, marital status and denial of statutorily-required, employment-related leave.

Section 5.8 – PREVAILING WAGE. Grantee shall comply with California's prevailing wage law under Labor Code Section 1720 et seq. for public works projects.

Section 5.9 – PROJECT COMPLETION. Grantee shall assume any obligation to furnish any additional funds that may be necessary to complete the Project.

Section 5.10 – PAYMENT OF RENT. If any portion of the Project (except for equipment acquisition projects) is located on any real property leased by Grantee, Grantee shall budget for payment of rent each year (unless Grantee pays a nominal yearly rent or has paid full rent under the lease agreement).

Section 5.11 – USE OF FUNDS. Grantee will not without prior consent of CHFFA do any of the following: (1) use any Grant funds for purposes other than for the Project unless a change in the use of the Grant is approved in writing by CHFFA; (2) make any changes to the Project as described in the Application or any of the Grant Documents; or (3) dispose of a capital asset before the end of the useful life of the asset.

ARTICLE VI – DEFAULT AND REMEDIES

Section 6.1 – EVENTS OF DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

(1) Any representation or warranty made by Grantee, hereunder or under any other Grant Document, proves to be incorrect in any material respect;

(2) Grantee's failure to perform any term or condition of this Agreement, the Regulations, or any other Grant Document;

(3) Any construction or renovation portion of the Project is located on real property leased by Grantee and the lease agreement terminates before the end of the useful life of the Project and the real property is not simultaneously re-leased under a new lease agreement that complies with the Regulations, or fee title to the property is not simultaneously transferred to Grantee; or

(4) As provided under Section 4.3 or 4.4.

Section 6.2 – NOTICE OF DEFAULT AND OPPORTUNITY TO CURE.

CHFFA shall provide written notice to Grantee of any Event of Default by specifying: (1) the nature of the event or deficiency that gave rise to the Event of Default; (2) the action required to cure the Event of Default, if an action to cure is possible; and (3) a date, which shall not be less than thirty (30) calendar days from the mailing of the notice, by which such action to cure must be taken, if an action to cure is possible, provided, however, so long as Grantee has commenced to cure within such time, then CHFFA may allow the Grantee a reasonable period thereafter within which to fully cure the Event of Default.

Section 6.3 – REMEDIES. If an Event of Default has occurred and is continuing, CHFFA shall have the right to pursue remedies in accordance with Section 7127 of the Regulations and to take any other actions in law or in equity to enforce performance and observance of any obligation, agreement or covenant of Grantee under this Agreement. CHFFA shall also have the right to take and hold title to the real property as provided in Section 4.3 or 4.4.

ARTICLE VII – MISCELLANEOUS

Section 7.1 – ENTIRE AGREEMENT. This Agreement, together with all agreements and documents incorporated by reference herein, constitutes the entire agreement of the parties and may be amended, changed or modified in a writing signed by Grantee and CHFFA.

Section 7.2 – NOTICES. Unless otherwise agreed upon in writing by CHFFA and Grantee, all notices, consents or other communications required or permitted hereunder shall be deemed sufficiently given or served if given in writing, mailed by first-class mail, postage prepaid and addressed as follows:

(i) If to Grantee:

Alameda County Behavioral Health Care Services

2000 Embarcadero Cove, Suite 400

Oakland, CA 94606

Attention: Manuel J. Jimenez, Jr., Behavioral Health Director

(ii) If to the Authority:
California Health Facilities
Financing Authority
915 Capitol Mall, Suite 590
Sacramento, California 95814
Attention: Executive Director

Section 7.3 – COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 7.4 – GOVERNING LAW AND VENUE. This Agreement shall be construed in accordance with and governed by the laws of the State of California. This Agreement shall be enforceable in the State of California and any action arising hereunder shall (unless waived in writing by the Authority) be filed and maintained in the County of Sacramento.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first hereinabove written. Grantee certifies that the Authorized Officer below is authorized to execute and deliver this Agreement, and the Authorized Officer or his or her designee is authorized to carry out and consummate all transactions contemplated hereby.

GRANTEE:

COUNTY OF ALAMEDA

By: Manuel J. Jimenez, Jr. [Authorized Officer]
Print Name/Title: Manuel J. Jimenez, Jr., Behavioral Health Director
Date: 10/27/16

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY:

By: [Signature]
Executive Director
Date: 11/18/2016

Exhibit A

GRANT AWARD LETTER



CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

915 Capitol Mall, Suite 590
Sacramento, CA 95814
p (916) 653-2799
f (916) 654-5362
chffa@treasurer.ca.gov
www.treasurer.ca.gov/chffa

December 18, 2015

Manuel Jimenez
Director
Alameda County
Behavioral Health Care Services
2000 Embarcadero Cove, 4th Floor
Oakland, CA 94606

RE: Investment in Mental Health Wellness Grant Program
Final Allocation – Fourth Funding Round
County of Alameda
Total Approved Grant Award: \$3,912,676.00

Dear Mr. Jimenez:

I am pleased to inform you that the California Health Facilities Financing Authority (“the Authority”) approved a final allocation to the County of Alameda under the Investment in Mental Health Wellness Grant Program (the “Program”) at its December 3, 2015 meeting. The final allocation is set forth in the attachment to this letter.

Please be advised that funding of this grant is conditioned upon the County of Alameda meeting certain requirements as specified in the Program regulations, including signing a grant agreement and providing requested documentation acceptable to the Authority prior to disbursement of funds. The Authority reserves the right to modify or cancel the commitment of grant funds upon failure to execute a grant agreement or other failure to comply with the Program regulations. The Authority may also modify or cancel the grant award if the Authority becomes aware of any matter which, if known at the time of Application review and approval, would have resulted in the rejection of the Application or the grant not being approved. The Authority is not liable in any manner whatsoever should such funding not be completed for any reason whatsoever. The grant is subject to availability of funds.

The grant period begins on December 3, 2015 and ends June 30, 2017 unless the grant period is extended by the Authority. The County must be determined “feasible, sustainable, and ready” as per the Program regulations (California Code of Regulations, Title 4, Section 7119 (a)(4)) within nine months after December 3, 2015, which is September 3, 2016. A disbursement request form with accompanying documents as per California Code of Regulations, Title 4, Section 7125 must be received by the Authority a month before your resolution expiration date or you must submit a reasonable justification for an extension to be considered by the Authority board. Eligible costs are described in the Program regulations (California Code of Regulations, Title 4, Section 7115) and are limited to the project as further detailed in the grant agreement and attachment to this letter.

MEMBERS

JOHN CHIANG, CHAIRMAN
State Treasurer

BETTY T. YEE
State Controller

MICHAEL COHEN
Director of Finance

JUDITH N. FRANK

JAY HANSEN

ANN MADDEN RICE

OSCAR SABLON, M.D.

JACK BUCKHORN

PEDRO REYES

EXECUTIVE DIRECTOR
Diane Stanton

ATTACHMENT

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of Alameda as follows:

Crisis Residential Treatment Program

The County of Alameda (the "County") plans to develop a new 14-bed Crisis Residential Treatment ("CRT") Program. The CRT Program will provide community-based, unlocked, voluntary psychiatric programs that will serve adults 18 and older with serious mental illnesses to stabilize their mental health symptoms and develop effective self-reliance skills in a home-like environment. The CRT Program will operate 24 hours per day, seven days per week and is expected to provide services for more than 600 stays per year while serving about 400 unique individuals. Grant funds will be used for construction or renovation, the purchase of furnishings and equipment, information technology costs, and for three months of program startup or expansion costs.

Crisis Stabilization Program

The County plans to develop a new 12-bed Crisis Stabilization ("CS") Program. The CS Program expects to provide services to at least 1,300 individuals annually and will provide intake and assessment capacity 24 hours a day with the ability to accept persons with high levels of acuity. Grant funds will be used for construction or renovation, the purchase of furnishings and equipment, information technology costs, and for three months of program startup or expansion costs.

Summary of Amounts:

Program	Approved Grant Amount
Crisis Residential Treatment	\$ 1,729,558.00
Crisis Stabilization	\$ 2,183,118.00
Total	\$ 3,912,676.00

Exhibit B

RESOLUTION

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

I hereby certify that the attached is a true and exact copy of Resolution No. MH 2015-06 adopted by the California Health Facilities Financing Authority on December 3, 2015 for County of Alameda [Investment in Mental Health Wellness Act of 2013-4th Round Funding].

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

BY 

Diane Stanton
Executive Director

Date: December 3, 2015

RESOLUTION NO. MH 2015-06

**A RESOLUTION OF THE CALIFORNIA HEALTH
FACILITIES FINANCING AUTHORITY APPROVING
EXECUTION AND DELIVERY OF GRANT FUNDING UNDER
THE INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM
TO THE COUNTY OF ALAMEDA**

WHEREAS, The California Health Facilities Financing Authority (the "Authority"), a public instrumentality of the State of California, is authorized by the Investment in Mental Health Wellness Act of 2013 (Welfare and Institutions Code Section 5848.5, the "Act") and implementing regulations (California Code of Regulations Title 4, Division 10, Chapter 5 (commencing with Section 7113)) to award grants for capital funding and personnel funding to finance eligible projects; and

WHEREAS, Authority staff reviewed the application submitted by County of Alameda ("Grantee") against the eligibility requirements of the Act and implementing regulations and, pursuant to the Act and implementing regulations, recommends approval of a grant in an amount not to exceed \$3,912,676.00 for the eligible project (the "Project"), which consists of no more than \$1,729,558.00 for crisis residential treatment capital costs and no more than \$2,183,118.00 for crisis stabilization capital costs;

NOW THEREFORE BE IT RESOLVED by the California Health Facilities Financing Authority, as follows:

Section 1. The Authority hereby approves a grant in a total amount not to exceed \$3,912,676.00 to complete the Project as described in the Grantee's application and as more particularly described in Exhibit A to this Resolution (Exhibit A is hereby incorporated by reference) within a project period that ends on June 30, 2017.

Section 2. The Executive Director is hereby authorized, for and on behalf of the Authority to approve any minor, non-material changes in the Project described in the application submitted to the Authority and extend the project period completion date identified in Section 1 as authorized under the Act and implementing regulations. Nothing in this Resolution shall be construed to require the Authority to provide any additional funding, even if more grants are approved than there is available funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should such funding not be completed for any reason whatsoever.

Section 3. The Executive Director is hereby authorized and directed, for and on behalf of the Authority, to disburse funds not to exceed those amounts approved by the Authority for the Grantee. The Executive Director is further authorized and directed, for and on behalf of the Authority, to execute and deliver to the Grantee any and all documents necessary to complete the disbursement of funds that are consistent with the Act and implementing regulations.

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of Alameda as follows:

Crisis Residential Treatment Program

The County of Alameda (the "County") plans to develop a new 14-bed Crisis Residential Treatment ("CRT") Program. The CRT Program will provide community-based, unlocked, voluntary psychiatric programs that will serve adults 18 and older with serious mental illnesses to stabilize their mental health symptoms and develop effective self-reliance skills in a home-like environment. The CRT Program will operate 24 hours per day, seven days per week and is expected to provide services for more than 600 stays per year while serving about 400 unique individuals. Grant funds will be used for construction or renovation, the purchase of furnishings and equipment, information technology costs, and for three months of program startup or expansion costs.

Crisis Stabilization Program

The County plans to develop a new 12-bed Crisis Stabilization ("CS") Program. The CS Program expects to provide services to at least 1,300 individuals annually and will provide intake and assessment capacity 24 hours a day with the ability to accept persons with high levels of acuity. Grant funds will be used for construction or renovation, the purchase of furnishings and equipment, information technology costs, and for three months of program startup or expansion costs.

Summary of Amounts:

Program	Approved Grant Amount
Crisis Residential Treatment	\$ 1,729,558.00
Crisis Stabilization	\$ 2,183,118.00
Total	\$ <u>3,912,676.00</u>

Exhibit C

RESOLUTION OF GRANTEE'S GOVERNING BOARD



ADMINISTRATION & INDIGENT HEALTH
1000 San Leandro Boulevard, Suite 300
San Leandro, CA 94577
Tel: (510) 618-3452
Fax: (510) 351-1367

August 30, 2016

Honorable Board of Supervisors
Administration Building
1221 Oak Street, Suite 536
Oakland, CA 94612

Dear Board Members:

SUBJECT: ACCEPT GRANT AWARD AND AGREEMENT #ALMD-02 WITH THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY-FOURTH FUNDING ROUND

RECOMMENDATION:

- A. Accept grant award and agreement #ALMD-02 (hereafter "Agreement") with the California Health Facilities Financing Authority (CHFFA) funded from the *Senate Bill 82, Investment in Mental Health Wellness Grant Program* in the amount of \$3,912,676 for capital improvements, furniture, fixtures, technology and three months program start-up costs to expand crisis support services through the development of a new Crisis Stabilization program that will be operated in conjunction with a new Crisis Residential Treatment program in the North County area of Alameda County; grant period from 12/3/2015 to 6/30/2017 (19 months), without County match;
- B. Authorize the Director of Behavioral Health Care Services or his designee, on behalf of the Board of Supervisors, to sign and execute four copies of the Agreement (Attachment);
- C. Delegate authority to the Director of Behavioral Health Care Services or his designee, to sign subsequent amendments or modifications to the agreement upon prior review and approval of County Counsel and prior notification to your Board, and provide copy of signed amended or modified agreements to the Clerk of Board; and
- D. Approve and authorize the Auditor-Controller to deposit and disburse funds at a private bank in the initial amount of \$500,000 for the purpose of making progress payments on construction costs to avoid delays in a tight time-line for compliance with Grantor terms. Any interest earned accrues to the grant funds. Disbursements to designated grantee are subject to County and CHFFA requirements. The revolving fund will be returned to the County as grant fund payments are received.

SUMMARY:

Currently, Alameda County lacks Crisis Stabilization Unit and Crisis Residential Treatment facilities resulting in patients that need an intermediate level of care being treated at John George Psychiatric Hospital, crowding Emergency Rooms, or receiving treatment at County jails. This is not only a factor in the overcrowding at John George, but also leads to patients not receiving the level of care that is commensurate with their medical condition.

The State of California, through SB 82, allows counties to apply for grant funds for the purpose of expanding crisis services and facilities. Alameda County has been awarded \$3,912,676 to develop a 14-bed crisis residential treatment program operating in tandem with a 12-client crisis stabilization program in the North County. Behavioral Health Care Services (BHCS) has, with Board authorization, partnered with Bay Area Community Services (BACS) to utilize these grant funds by developing a facility named Amber House in Oakland. While all construction costs and three months of start-up costs will be funded by the grant, there are some risks associated with accepting this funding:

- There could be construction cost overruns that exceed grant funds in which case the County may have to fund the cost overruns.
- The grant calls for this program to be operated at this facility for the life of the tenant improvements according to determinable useful life of the improvements as defined by pertinent IRS regulations (we estimate this to be up to 27.5 years). Failure to meet CHFFA program standards would result in the County having to take over program operations in the facility through another provider selected by the County. CHFFA will be auditing the County to make sure the programs operated at the facility are in compliance with the grant terms.
- The ongoing cost of operating these programs could be higher than currently anticipated (\$5.8 million which will be funded by Medi-Cal and other revenue sources with no impact on net County cost).

BHCS has taken a number of steps to try to mitigate these risks. The General Services Agency (GSA) has reviewed bids and are confident the project can be completed within the funding provided by the grant. BHCS also chose a partner in BACS that has a long history of providing services on behalf of the County to this population which have been found to be in compliance with State and federal regulations. BACS also have an equity stake in the facility and so are highly incentivized to provide services up to State standards lest they suffer a financial loss. The County is currently negotiating a lease with BACS that will include terms stating that in the event that BACS fails to provide services, the County has the right to select another provider to continue the services in the facility. The County will not disburse any funds for the construction of the facility until a lease agreement has been mutually agreed upon and executed by both parties.

Given the great need for expanded crisis support services in the County, the benefits that will accrue across the health care system, and efforts to mitigate the risks associated with this funding, we ask your Board to approve these recommendations. BHCS will return to your Board with the lease agreement with BACS for Amber House.

DISCUSSION:

On September 15, 2015, your Board authorized BHCS to apply for grants under California *SB 82, Investment in Mental Health Wellness Grant Program* for the purpose of expanding crisis services and facilities. On December 18, 2015, CHFFA informed BHCS that an allocation in the amount of \$3,912,676 had been awarded to BHCS for the development of a 14-bed crisis residential treatment program operating in tandem with a 12-client crisis stabilization program. A review of data of adults utilizing John George Psychiatric Emergency Services for the last two years indicates that nearly one-third of the psychiatric emergency services users came from the North County Area. The facility to be funded by this award is located in the North County Area. Grant funds will cover: 1) renovation of the facility named Amber House, located at 516 31st Street, Oakland, CA, to accommodate the new programs, 2) furniture and equipment, 3) information technology hardware and software, and 4) up to three months of program start-up costs.

Senate Bill (SB) 82 authorizes funding from the Mental Health Services Act (MHSA) and a one-time allocation from the State General Fund to expand capacity and access to community based mental health crisis services that are wellness, resiliency, and recovery oriented in the least restrictive manner possible. SB82 implementation and grant awards are covered by specific regulations that address use of funds, indemnification of CHFFA by the County Grantee, defaults and remedies. These provisions are spelled out in the Agreement.

On December 1, 2015, your Board waived competitive bid requirements for the crisis facility provider and authorized the Director of BHCS to enter into contract negotiations with BACS. BACS is a community-based organization (CBO), to be the designated grantee as well as operate the crisis stabilization and a crisis residential treatment programs at a site controlled by BACS, a long time contract provider of mental health services to BHCS since 1993.

BHCS is working with County GSA to provide oversight to the facility renovation process. GSA is in the process of developing a lease with BACS, incorporating terms set out by SB82 regulations and/or as may be agreed upon by BACS and BHCS for use of the facility which will be brought before your Board for approval. BHCS and BACS are in the process of negotiating a contract to operate the programs.

CHFFA is going to determine whether the program is in compliance with grant terms by using the following criteria:

Honorable Board of Supervisors
August 30, 2016
Page 4 of 4

- SB 82 Section 7119 – Evaluation Criteria – when BHCS submitted the grant application to CHFFA, County submitted key milestones, accomplishments, and outcomes, including a discussion of the populations to be served. CHFFA may request annual reports after June 30, 2016 to continue tracking accomplishments, outcomes and populations served.

-SB 82 Section 7129 - CHFFA may perform audits and site visits to inspect the project during the grant period and may inspect and/or audit project records during the grant period and for three years after the certification of project completion has been submitted.

BHCS will be monitoring BACS to ensure the program meets these criteria, and these criteria will be in the agreement between BHCS and BACS.

Once the program is operating, BHCS is planning to fund the ongoing costs through Medi-Cal revenue and other funding sources with no increase in net county cost.

SELECTION CRITERIA AND PROCESS:

Not applicable.

FINANCING:

Acceptance of this grant will not result in an increase in net county cost. The grant amount is included in the FY 2016-2017 budget approved by your Board. The revolving fund in Recommendation D will be returned to the County as grant fund payments are received.

Respectfully submitted,



Rebecca Gebhart, Interim Director
Alameda County Health Care Services Agency

RG/CS/pn

**ALAMEDA COUNTY BOARD OF SUPERVISORS
MINUTE ORDER**

The following action was taken by the Alameda County Board of Supervisors on 09/13/2016

Approved as Recommended

Other

Unanimous Chan: Haggerty: Miley: Valle: Carson: - 5

Vote Key: N=No; A=Abstain; X=Excused

Documents accompanying this matter:

Documents to be signed by Agency/Purchasing Agent:

File No. _____

Item No. 8.1

Copies sent to:

Paul Nichols

Special Notes:

Grant Award and Agreement
No. ALMD-02 with the
California Health Facilities
Financing Authority



I certify that the foregoing is a correct copy of a Minute Order adopted by the Board of Supervisors, Alameda County, State of California.

ATTEST:

Clerk of the Board
Board of Supervisors

By: _____

Janita Davis

Deputy

Exhibit D

PROJECT DESCRIPTION

The Project Description, as described in Exhibit A to the Authority's December 3, 2015 Resolution No. MH 2015-06 is as follows:

The proceeds of the grant will be used by the County of Alameda as follows:

Crisis Residential Treatment Program

The County of Alameda (the "County") plans to develop a new 14-bed Crisis Residential Treatment ("CRT") Program. The CRT Program will provide community-based, unlocked, voluntary psychiatric programs that will serve adults 18 and older with serious mental illnesses to stabilize their mental health symptoms and develop effective self-reliance skills in a home-like environment. The CRT Program will operate 24 hours per day, seven days per week and is expected to provide services for more than 600 stays per year while serving about 400 unique individuals. Grant funds will be used for construction or renovation, the purchase of furnishings and equipment, information technology costs, and for three months of program startup or expansion costs.

Crisis Stabilization Program

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Summary of Amounts:

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Crisis Residential Treatment	\$ 1,729,558.00
Crisis Stabilization	\$ 2,183,118.00
Total	\$ <u>3,912,676.00</u>



CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

915 Capitol Mall, Suite 435
Sacramento, CA 95814
p (916) 653-2799
f (916) 654-5362
chffa@treasurer.ca.gov
www.treasurer.ca.gov/chffa

September 27, 2016

Manuel Jimenez
Alameda County Behavioral Health Care Services
2000 Embarcadero Cove, Suite 400
Oakland, CA 94606

Re: Investment in Mental Health Wellness Grant Program ("Program")
Grant# ALMD-02

Dear Mr. Jimenez,

The Investment in Mental Health Wellness Grant Program ("IMHWGP"), under Section 7125.1 of the Regulations, allows for a private nonprofit service provider ("Designated Grantee") to receive grant funds directly for the purpose of purchasing real property and for construction or renovation. Section 7125.1(a) further states that in order for the Designated Grantee to receive funds directly for the purpose of construction or renovation, the Designated Grantee must first use IMHWGP grant funds to acquire the real property that will then be constructed or renovated. The project description for Alameda County's (the "County") 4th Round Grant includes renovation of real property currently owned by a nonprofit service provider. For purposes of the Grant Agreement between CHFFA and Alameda County, the nonprofit service provider is not considered a Designated Grantee and cannot receive funds directly for renovations. As such, Sections 4.3 and 4.4 of the Grant Agreement are not applicable to Alameda County's 4th Round grant programs. The Section 7126 of the Regulations applies to Alameda County's project approved in the 4th funding round.

Sincerely,

Carolyn Aboubechara
Grants Manager

MEMBERS

JOHN CHIANG, CHAIRMAN
State Treasurer

BETTY T. YEE
State Controller

MICHAEL COHEN
Director of Finance

JUDITH N. FRANK

JAY HANSEN

SENATE RULES COMMITTEE APPOINTEE
- VACANT

OSCAR SABLAN, M.D.

JACK BUCKHORN

SUMI SOUSA

EXECUTIVE DIRECTOR
Diane Stanton