

**EXHIBIT 1**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**CITY-COUNTY DELEGATE AGENCY AGREEMENT**  
**FOR PROGRAM YEARS 2027-28, 2028-29, 2029-30 AND SUBSEQUENT RENEWAL FOR PROGRAM**  
**YEARS 2030-31, 2031-32, AND 2032-33, UNLESS TERMINATED**

**WHEREAS**, this Delegate Agency Agreement, herein after referred to as DA AGREEMENT, accompanies the Cooperation Agreement, made and entered into, by and between San Bernardino County, a political subdivision of the State of California, referred to as "COUNTY", and the City of Chino, a municipal corporation located within the boundaries of San Bernardino County, referred to as "CITY"; and

**WHEREAS**, COUNTY has been designated an "Urban County" by the United States Department of Housing and Urban Development, hereinafter referred to as "HUD", as that term is defined in Title I of the Housing and Community Development Act of 1974 as amended, hereinafter referred to as "ACT"; and

**WHEREAS**, COUNTY will administer a Community Development Block Grant (CDBG) program (CFDA No. 14.218) that includes the development of a Consolidated Submission of the HUD Housing and Community Development Grant programs, hereinafter referred to as "CONSOLIDATED PLAN", which constitutes COUNTY's application for federal assistance under said ACT; and,

**WHEREAS**, CITY and COUNTY have entered into a Cooperation Agreement so as to enable CITY to be a part of COUNTY's CDBG program, commencing with Program Years 2027-28, 2028-29, 2029-30 and set to automatically renew for one successive three-year Urban County qualification period while the COUNTY is designated as an Urban County, to which this DA AGREEMENT is subordinate and supplementary agreement per SECTION 16 of Cooperation Agreement; and,

**WHEREAS**, COUNTY administers a CDBG program for a number of cooperating cities, and in the unincorporated areas of San Bernardino County, through its Community Development and Housing Department, hereinafter referred to as "CDH"; and,

**WHEREAS**, CITY has the ability, expertise and resources to manage and administer CDBG-funded projects/programs and agrees to adhere to all rules, regulations and related requirements associated with the utilization of CDBG funds; and,

**WHEREAS**, CITY desires to assume the responsibility of project implementation within its corporate limits in cooperation with COUNTY; and,

**WHEREAS**, both COUNTY and CITY seek to coordinate their community development and neighborhood revitalization efforts in order to fully utilize all available resources while increasing efficiencies through economies of scale associated with the planning and administration of a large scale CDBG program; and

**NOW, THEREFORE**, it is understood and agreed by and between the parties hereto as follows:

**1. DEFINITIONS**

- A. **Amendment:** A change, correction, clarification, or deletion to an auto-renewal cooperation agreement. An amendment may be necessary due to shifting requirements over time at the federal, state, or local government level.
- B. **Auto-Renewal Delegate Agency Agreement:** A delegate agency agreement which contains an "auto-renewal" provision stating the agreement will automatically renew for one additional three-year qualification period after the initial three-year qualification period (enabling the agreement to be in effect for a total of six years).
- C. **CDBG Entitlement Program:** HUD grant program which provides annual CDBG grants on a formula basis to Metropolitan Cities and Urban Counties to develop viable urban communities, provide decent housing and suitable living environments, and expand economic opportunities for low- and moderate-income people.

- D. **CITY:** An incorporated area that is operated by a local governing body (for example, a city council).
- E. **Cooperation Agreement:** Legal agreement between an Urban County and participating CITIES, which explains roles and responsibilities, restrictions, and CDBG program requirements. Cooperation agreements between the county and participating cities are required in counties that do not have essential powers in cities (most counties). Cooperation agreements are also required – even for counties that have essential powers in their cities – if the Urban County plans to award CDBG funds to participating cities or to carry out activities within the jurisdictional boundaries of those cities.
- F. **CPD:** HUD’s Office of Community Planning and Development.
- G. **Delegate Agency Agreement:** A legal agreement between an Urban County and a Metropolitan City in the Urban County. A delegate agency agreement allows an Urban County to manage and administer the Metropolitan City’s CDBG grant in addition to the county’s own CDBG grant.
- H. **Entitlement Communities Division:** The division at CPD Headquarters responsible for administering the CDBG Entitlement Program and preparing this Urban County Notice. This division can address any questions about the Urban County qualification process and provide extensions for deadlines in this Notice.
- I. **Essential Powers:** When an Urban County has legal authority to conduct “essential community development and housing assistance activities” in its unincorporated areas and/or in its participating CITIES (without consent from CITIES’ governing bodies). These essential activities include actions like acquiring property for reuse as low- and moderate-income housing, directly rehabilitating or providing financial assistance for housing, supporting low-rent housing activities, disposing of land to private developers for redevelopment, and condemning property for low-income housing. Most states only grant counties essential powers in unincorporated areas, but not in incorporated areas (CITIES).
- J. **Incorporated Areas:** Areas that have been incorporated as an official entity under state law. These areas have a legally defined boundary and an active, functioning government.
- K. **Letter:** A signed letter on official city or county government letterhead. An attached signed PDF letter on official city or county government letterhead may be sent via email.
- L. **Metropolitan City:** A city within a metropolitan area which is the principal city of such area, as defined by the Office of Management and Budget (OMB), or any other city, within a metropolitan area, which has a population of 50,000 or more. Any city that was classified as a Metropolitan City for at least two years shall remain classified as a Metropolitan City. Metropolitan Cities are eligible to directly receive CDBG grant funding on a formula basis.
- M. **State:** The State of California is the state government that provides funding, oversight, and programs to support housing, community development, and services for residents in California.
- N. **Unincorporated Areas:** Areas in a county that have not been incorporated as cities, towns, townships, or villages. These areas may have a name, but they don’t have legally defined boundaries or governments.
- O. **Urban County:** A county that has met population thresholds to qualify to directly receive CDBG, HOME and ESG funds from HUD. Urban Counties are Entitlement communities under the CDBG, HOME and ESG Entitlement Program. Refer to the official definition of Urban Counties at Section 102(a)(6) of the HCDA for more information.
- P. **U.S. Department of Housing and Urban Development (HUD):** The federal agency that provides funding and guidance to support housing, community development, and programs that assist low- and moderate-income individuals and families.

## 2. **PURPOSE**

This DA AGREEMENT, which is Exhibit 1 to the Cooperation Agreement, is made pursuant to the provisions of Article 1, Chapter 5, Division 7, Title I of the Government Code of the State of California (commencing with Section 6500), relating to public agencies. The purpose of this DA AGREEMENT is to enable CITY to implement CITY-CDBG funded projects or programs while adhering to the provisions of the Cooperation Agreement in carrying out CDBG activities that have been approved by COUNTY for CITY in accordance with the CONSOLIDATED PLAN. The purpose will be accomplished pursuant to the requirements of the ACT, its regulations and other federal, state and county laws and policies in the manner hereinafter set forth. This DA AGREEMENT is not a standalone agreement and is only valid as a component of the Cooperation Agreement; whereas the Cooperation Agreement is a standalone agreement and will be valid even if this DA AGREEMENT no longer exists. In absence of this DA AGREEMENT, the CITY would not be able to implement any CDBG-funded projects or programs;

however the COUNTY would still be able to implement CITY or COUNTY CDBG-funded projects and or programs as authorized under the Cooperation Agreement.

Unless specified otherwise, CDH shall have the authority to represent COUNTY regarding the terms and conditions of this DA AGREEMENT and the administration thereof.

**3. TERM**

This DA AGREEMENT shall become initially effective starting Program Years 2027-2028, 2028-29, 2029-30, beginning on July 1, 2027 and ending June 30, 2030. Thereafter, commencing July 1, 2030 this DA AGREEMENT, as part of the Cooperation Agreement, will automatically renew for one successive three-year Urban County qualification period for Program Years 2030-31, 2031-32 and 2032-33, when the COUNTY re-qualifies as an Urban County, until such time as the CITY or COUNTY elects to terminate at the conclusion of a 3-year term. Even though this DA AGREEMENT does not stand alone, it may be extended beyond the 3-year term in order to complete the construction of a previously funded project(s). COUNTY, through its Chief Executive Officer or CDH Deputy Executive Officer, or Director, may grant an extension of up to six (6) months to the term of this DA AGREEMENT for the purpose of completing CITY's projects/activities that are underway and which cannot be completed during the term of this DA AGREEMENT. CITY must request any such extension in writing. Any extension will only be effective if granted in writing by COUNTY. Maintenance and operation and monitoring requirements for facilities developed under the terms of this DA AGREEMENT, as described in SECTION 10 MAINTENANCE AND OPERATION OF FACILITIES and SECTION 16 MONITORING, shall be in effect and continue in full force as prescribed in this section of the Cooperation Agreement and continue even if the Cooperation Agreement is terminated or has expired.

**4. AUTHORIZATION OF PROJECT/ACTIVITY**

CITY shall not initiate nor incur expenses for any CDBG-funded project or activity covered under the terms of this DA AGREEMENT prior to receiving written authorization from COUNTY. Written authorization will be accomplished when Attachments A (Request to Initiate Project or Activity) and B (Project or Activity Description) to this DA AGREEMENT have been completed for a CDBG-funded project or activity and signed by CITY and countersigned by CDH. Any such authorized Project or Activity shall hereinafter be referred to as an "AUTHORIZED PROJECT."

**5. IMPLEMENTATION OF AUTHORIZED PROJECT**

CITY agrees to implement AUTHORIZED PROJECTS in the manner prescribed in the Delegate Agency Coordination Procedures (Attachment C), using the forms and language contained in the Delegate Agency Construction Contract Provisions (Attachment D), and agrees to comply with all applicable local, county, state and federal regulations associated with the implementation of CDBG projects and with DA AGREEMENT.

CITY may contract for all necessary services to complete AUTHORIZED PROJECTS described on its executed Attachments A and B provided that contracts are submitted to and approved in writing by CDH prior to their execution. CITY Attorney is responsible for assuring and certifying that the AUTHORIZED PROJECT undertaken by CITY's contracting party complies with all applicable regulations and statutes, as amended, listed in Attachment C, the Delegate Agency Construction Contract, Section IV.

**6. MODIFICATION OF AUTHORIZED PROJECTS**

All modifications to AUTHORIZED PROJECT must be pre-approved by COUNTY in order to be considered a part of AUTHORIZED PROJECT and eligible for reimbursement by COUNTY. CITY may request modification(s) to CDBG funding levels authorized by Attachment A or the pertinent Project Description (i.e., Scope of Activity) authorized by Attachment B. Upon receipt of a written request from CITY, and approval by COUNTY, COUNTY will revise Attachments A and B.

**7. CONSOLIDATED PLAN AMENDMENT**

Requests by CITY to add, delete or substantially modify an activity listed in CONSOLIDATED PLAN must

be made in writing to COUNTY. Requests to add new activity(ies) must be accompanied by a CDBG project proposal application.

Substantial modifications are defined as follows: 1) an increase in funding for a CDBG public service-type activity in an amount greater than \$100,000 over the current funded amount; or 2) an increase in the funding for other activities (public facility improvements, code enforcement, acquisition, etc.) in an amount greater than \$500,000 over the current funded amount; or 3) a new activity not previously listed and described in the CONSOLIDATED PLAN/Annual Action Plan; or 4) a change in the type of activity; or 5) a change in the location of the activity; or 6) a change in the beneficiaries of the activity.

Requests for additions and substantial modifications will be reviewed by COUNTY for eligibility and compatibility with CONSOLIDATED PLAN. Additions, deletions and substantial modifications must be approved by CITY Council action and supportive documentation for said action must be sent to COUNTY. CITY shall comply with the requirements of and participate in the implementation of the citizen participation portion of CONSOLIDATED PLAN.

**8. COUNTY RESPONSIBILITIES**

COUNTY, through CDH, is empowered to enforce all federal regulations pertaining to CDBG-funded projects undertaken by CITY under Cooperation Agreement. CITY recognizes that COUNTY, as the formal grantee of the CDBG, has full responsibility and obligations to HUD for undertaking the CDBG Program and has full authority in administering and allocating funds. CITY will have no direct responsibilities or obligations to HUD, except as identified, under Cooperation Agreement. COUNTY will provide technical assistance to CITY in a timely and expeditious manner upon written request to CDH Administrator.

**9. CONFORMANCE TO COUNTY PROCEDURES**

Under this DA AGREEMENT, CITY elects to be responsible for implementing CDBG-funded projects. However, in implementing said projects, CITY must perform all services and activities in accordance with federal and state statutory requirements and with the policies and procedures established by the COUNTY Board of Supervisors, and shall comply with the following:

**A. COMMUNITY DEVELOPMENT ADMINISTRATOR**

Upon COUNTY and CITY's mutual assent to this DA AGREEMENT, CITY will designate a "Community Development Administrator" and submit to CDH written notification from CITY. The Community Development Administrator is the responsible authority for all correspondence with COUNTY, and is the signatory on AUTHORIZED PROJECT Attachments A and B and shall advise the CITY Council, CITY administration and CITY staff, as appropriate, regarding the CDBG program. CITY may, by written notification as set forth below, change the Community Development Administrator.

**B. FISCAL CONTACT PERSON**

For purposes of this DA AGREEMENT, CITY shall also designate a fiscal contact through written notification to CDH. The fiscal contact person shall be responsible for billing and fiscal procedures regarding the CDBG program and will serve as the primary contact for technical fiscal matters. CITY may, by written notification as set forth below, change the fiscal contact person.

CITY shall be responsible for maintaining complete and separate fiscal accounts for CDBG funds which come under its control in such manner as to permit the reports required by COUNTY to be prepared therefrom and to permit the tracing of CDBG funds to their final expenditure. CITY will submit to CDH complete and detailed project descriptions, budgets, and expenses for each project that CITY implements with CDBG funds along with monthly reports of grant expenditures.

**10. MAINTENANCE AND OPERATION OF FACILITIES**

CITY shall provide maintenance and operation for the life of any and all facilities constructed with CDBG funds under Cooperation Agreement that are CITY owned or operated, for the life of the facility, not less than 10 years. This Section shall survive the termination of this DA AGREEMENT and/ or

Cooperation Agreement.

**11. FUNDING LIMITS**

CDBG funding of AUTHORIZED PROJECTS is limited to the amount allocated to CITY as listed in the Attachment A (Request to Initiate Project or Activity).

**12. DISBURSEMENT OF FUNDS**

All CDBG funds allocated to CITY'S AUTHORIZED PROJECT(S) shall be received from the federal government by COUNTY under ACT. CDH will disburse the funds to CITY on a cost reimbursement basis. Billing shall be accompanied by all pertinent source documentation to be presented to CDH by CITY on or about the first day of each month, allowing 30 days for payment on the part of CDH. COUNTY shall be entitled to retain from such funds such amount as is calculated as the direct costs (including, but not limited to, salaries, benefits, mileage, actual cost of materials, meals and other authorized expenses incurred by COUNTY in implementing CITY's AUTHORIZED PROJECTS, in accordance with applicable federal regulations, including 2 CFR Part 200, and San Bernardino County policies and procedures governing travel and reimbursement.

**13. WITHHOLDING OF FUNDS**

COUNTY shall retain the right to withhold funds for any programs carried out by CITY, CITY's Contractor, or CITY's subcontractor upon giving written notice to CITY indicating that COUNTY has determined that CITY has not performed its obligations as stated in this Delegate Agency Agreement and or Cooperation AGREEMENT in a satisfactory or timely manner consistent with federal regulations or policy. COUNTY shall notify CITY in writing of this determination, specifying the objection(s) to CITY's performance. CITY shall then have a maximum of ten (10) days in which to remedy said deficiencies. Should said deficiencies not be remedied within the above mentioned ten (10) day period, COUNTY shall have full authority to reallocate CITY's CDBG program funding to any other eligible activity(ies), which can be implemented or to assume sole responsibility for carrying out any and/or all AUTHORIZED PROJECTS, upon written notice to CITY. Upon such notice, CITY agrees to cease all activity provided hereunder, as specified in said notice.

**14. PROGRAM INCOME**

Program income represents net income directly generated from the use of CDBG funds by CITY as a result of the activity funded under the terms of DA AGREEMENT. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. CITY shall return program income to COUNTY even if it is received after this DA AGREEMENT has expired. COUNTY shall have full authority to reallocate program income funding to any other eligible activity(ies), which can be implemented in a satisfactory or timely manner consistent with federal regulations or policy. Program income shall be returned to COUNTY within 30 days after: a) disposition or sale of real or personal property occurs or; b) cumulative program income reaches increments of \$1,000; or c) the end of each program year. CITY shall include in the reports required by Section 15, PROGRAM REPORTING AND RETENTION OF RECORDS, all sources and amounts of program income on a monthly and year-to-date basis.

Program income returned by COUNTY to CITY will be spent by CITY on only those costs authorized under this DA AGREEMENT. All provisions of DA AGREEMENT shall apply to said use of program income funds. CITY shall account for the receipt and use of program income in such a way that program income is spent on AUTHORIZED PROJECTS before additional CDBG funds are spent.

Any program income on-hand when this DA AGREEMENT expires or received after such expiration will be paid to COUNTY within thirty (30) days.

**15. PROGRAM REPORTING AND RETENTION OF RECORDS**

CITY agrees to prepare and submit financial, program progress, and other reports as required by HUD or COUNTY directives. CITY shall maintain such program, property, personnel, financial, statistical, and other records, supporting documents, and accounts as are considered necessary by HUD or COUNTY to assure proper accounting for all DA AGREEMENT funds.

Said records, documents, and accounts shall be retained by CITY for a minimum of three (3) years, unless a longer period is required by COUNTY policy. The retention period shall begin from the date the COUNTY submits its annual performance and evaluation report, as prescribed in 24 CFR 91.520, in which the activities under this DA AGREEMENT are reported for the final time. Said COUNTY submission will follow CITY's final submission of required reports to COUNTY.

Records and accounts subject to litigation, audit, or monitoring findings shall be retained until all issues are resolved and final action taken, even if this extends beyond the retention period.

Records that pertain to real property and equipment shall be retained for the period required under 2 CFR Part 200 and applicable HUD regulations. The retention period for records relating to program income shall begin at the end of the COUNTY program year in which the income is earned.

All CITY records, with the exception of confidential client information, shall be made available to representatives of COUNTY and appropriate federal agencies. CITY shall submit all data necessary for COUNTY to complete required reports in accordance with HUD regulations, in the format and within the timeframes specified by the Director of CDH or designee.

All records relating to CITY's personnel, consultants, subcontractors, services, and expenditures under this DA AGREEMENT shall be maintained in accordance with generally accepted accounting principles (GAAP) and in compliance with 2 CFR Part 200. Records shall include sufficient source documentation to support all costs.

**16. MONITORING**

CDH Administrator or designee will conduct periodic monitoring of CITY administration of AUTHORIZED PROJECTS. Monitoring will focus on the extent to which the CONSOLIDATED PLAN has been implemented, measurable goals achieved and effectiveness of project management, and impact of AUTHORIZED PROJECTS. Authorized COUNTY and HUD representatives shall have the right of access to all activities and facilities operated by CITY under this DA AGREEMENT. Facilities include all files, records, and other documents related to the performance of this DA AGREEMENT. CITY will permit on-site inspection by COUNTY and HUD representatives, and ensure that its employees furnish such information, as in the judgment of COUNTY and HUD representatives, may be relevant to a question of compliance with contractual conditions and HUD directives, or the effectiveness, legality, and achievements of the program.

**17. ACCOUNTING**

CITY shall establish and maintain, on a current basis, a financial management system in accordance with GAAP and in compliance with 2 CFR Part 200. The system shall provide for accurate, current, and complete disclosure of financial results of federally funded activities.

**18. AUDITS**

CITY is required to arrange and pay for an independent financial and compliance audit annually for each program year during which federal funds are received under this DA AGREEMENT as required by Circular A-128 pursuant to the Single Audit Act of 1984, Public Law 98-502. The results of the single audit must be submitted to COUNTY within 30 days of completion. Within 30 days of the submittal of said audit report, CITY shall provide a written response to all conditions or findings reported in said audit report. The response must examine each condition or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All condition or finding correction actions shall take place within six months after CDH's receipt of the audit report. An audit may also be conducted by federal, state or local funding source agencies as part of the COUNTY's audit responsibilities. COUNTY and its authorized representatives shall, at all times, have access for the purpose of audit or inspection to any and all books, documents, papers, records, property, and premises of CITY. CITY's staff will cooperate fully with authorized auditors when they conduct audits and examinations of CITY's program. If indications of misappropriation or misapplication of the funds of this DA AGREEMENT cause COUNTY to require a special audit, the cost of the audit will be encumbered and deducted from funds allocated to CITY's CDBG

AUTHORIZED PROJECTS. Should COUNTY subsequently determine that the special audit was not warranted, the amount encumbered will be restored to said CDBG AUTHORIZED PROJECT allocations. Should the special audit confirm misappropriation or misapplication of funds, CITY shall reimburse COUNTY the amount of misappropriation or misapplication from non-CDBG funding sources.

**19. REVERSION OF ASSETS**

Upon DA AGREEMENT termination, CITY shall transfer to COUNTY all CDBG funds on-hand (including, but not limited to, program income) at the time of expiration and any accounts receivable attributable to the use of CDBG funds.

All real property acquired or improved in whole or in part with CDBG funds in excess of \$25,000 under this DA AGREEMENT must continue in the use that provides the service benefits and national objectives, for which it was funded until five (5) years after expiration of this DA AGREEMENT as set forth in 24 CFR 570.503, or such longer period of time as determined by COUNTY; or it must be disposed of in a manner resulting in a reimbursement to COUNTY in the amount of the current fair market value of the property, as determined by COUNTY, less any portion thereof attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to the property. This Section 19 shall survive the termination of this DA AGREEMENT.

**20. TERMINATION AND TERMINATION COSTS**

This DA AGREEMENT may be terminated in whole or in part at any time by either party upon giving sixty (60) days' notice in writing to the other party if for whatever reason either party no longer desires to have CITY implement CDBG-funded projects/programs. If the DA AGREEMENT is terminated, the DA AGREEMENT shall continue in full force until such time as described in SECTION 2 PURPOSE and SECTION 3 TERM of DA AGREEMENT. An agreement must be reached by both parties as to conditions for termination in compliance with the provisions of federal regulations at 24 CFR Part 85.44, Termination for Convenience. CDH is hereby empowered to give said notice, subject to ratification by the COUNTY Board of Supervisors.

COUNTY may immediately terminate this DA AGREEMENT upon the termination, suspension, discontinuation or substantial reduction in HUD CDBG funding for the DA AGREEMENT activity or if for any reason the timely completion of the work under this DA AGREEMENT is rendered improbable, infeasible or impossible. If CITY materially fails to comply with any term of this DA AGREEMENT, COUNTY may take one or more of the actions provided under the federal regulation at 24 CFR Part 85.43, Enforcement, which includes temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such an event, CITY shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this DA AGREEMENT that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

**21. PROJECT ACKNOWLEDGMENT**

Should CITY determine that the funding sources or the names of responsible public officials be displayed on a completed building or significant project, such identification should be acknowledged on a plaque, permanently mounted in an appropriate location, made of bronze or other appropriate material, acknowledging the funding source as the "Department of Housing and Urban Development, San Bernardino County Community Development Block Grant." The current Board of Supervisors and the members of the CITY Council shall also be identified. When multiple funding sources are utilized to construct a project, all funding sources shall be identified. The listing order of multiple funding sources identified on the plaque shall be the largest dollar amount first, the second largest dollar amount second, etc.

**22. CONTRACT COMPLIANCE**

When possible, CITY should ensure that small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms are considered in compliance with provisions of 2 CFR § 200.321.

CITY shall comply with all applicable federal, state, and local laws, regulations, and policies relating to equal employment opportunity and nondiscrimination in employment and contracting, including, but not limited to, Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act, and applicable HUD requirements.

To the extent required by applicable federal law and funding requirements, CITY shall comply with Executive Order requirements related to equal employment opportunity, as may be amended, superseded, or replaced from time to time.

In addition, CITY shall make every effort to employ residents of the area and shall keep a report of CITY staff positions that have been funded directly by, or as a result of this program.

**23. CONFIDENTIALITY**

CITY shall protect from unauthorized use or disclosure the names and other identifying information concerning persons receiving services pursuant to this DA AGREEMENT, except for statistical information not identifying any participant. CITY shall not use or disclose any identifying information for any purpose other than carrying out the CITY's obligations under this DA AGREEMENT, except as may otherwise be required by law. This provision will remain in force even after the termination of the DA AGREEMENT.

**24. DISCRIMINATION**

During the term of the DA AGREEMENT, CITY shall not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, sexual orientation, age, or military and veteran status.

CITY shall comply with all applicable federal, state, and local laws, regulations, and policies relating to nondiscrimination, equal employment opportunity, and contracting, including, but not limited to, Title VI of the Civil Rights Act of 1964, Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act, and applicable HUD requirements, as such laws and regulations may be amended, superseded, or replaced from time to time.

**25. ENVIRONMENTAL REQUIREMENTS**

In accordance with County Policy 11-08, the COUNTY prefers to acquire and use products with higher levels of post-consumer recycled content. Environmentally preferable goods and materials must perform satisfactorily and be available at a reasonable price. The COUNTY requires CITY to use recycled paper for any printed or photocopied material created as a result of this DA AGREEMENT. CITY is also required to use both sides of paper sheets for reports submitted to the COUNTY whenever practicable.

To assist the COUNTY in meeting the reporting requirements of the California Integrated Waste Management Act of 1989 (AB 939), CITY must be able to annually report the COUNTY's environmentally preferable purchases. CITY must also be able to report on environmentally preferable goods and materials used in the provision of their service to the COUNTY, utilizing a COUNTY-approved form.

**26. IMPROPER INFLUENCE**

CITY shall make all reasonable efforts to ensure that no COUNTY officer or employee, whose position in the COUNTY enables him/her to influence any award of the DA AGREEMENT or any competing offer, shall have any direct or indirect financial interest resulting from the award of the DA AGREEMENT or shall have any relationship to the CITY or officer or employee of the CITY.

**27. IMPROPER CONSIDERATION**

CITY shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the COUNTY in an attempt to secure favorable treatment regarding this Contract.

COUNTY, by written notice, may immediately terminate this DA AGREEMENT if it determines that any

improper consideration as described in the preceding paragraph was offered to any officer, employee or agent of the COUNTY with respect to the proposal and award process. This prohibition shall apply to any amendment, extension or evaluation process once a contract has been awarded.

CITY shall immediately report any attempt by a COUNTY officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from CITY. The report shall be made to the supervisor or manager charged with supervision of the employee or the County Administrative Office. In the event of a termination under this provision, COUNTY is entitled to pursue any available legal remedies.

**28. STANDARDS OF CONDUCT**

Pursuant to 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) and 24 CFR 570.611 (Conflict of Interest), CITY shall maintain a written code or standards of conduct governing the performance of its officers, employees, or agents engaged in the award and administration of contracts supported by federal funds.

No employee, officer, or agent of the CITY shall participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when:

- A. The employee, officer or agent;
- B. Any member of his immediate family;
- C. His or her partner; or
- D. An organization, which employs, or is about to employ, any of the above, has financial or other interest in the firm selected for award.

CITY officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-Agreements.

CITY may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value.

To the extent permitted by state or local law or regulations, such standards of conduct shall provide for penalties, sanctions, or other disciplinary actions for violations of such standards by CITY's officers, employees, or agents, or by contractors or their agents.

**29. FORMER COUNTY OFFICIALS**

CITY agrees to provide or has already provided information on former County Administrative Officials (as defined below) who are employed by or represent CITY. The information required includes a list of former County Administrative Officials, who terminated COUNTY employment within the last five (5) years and are now officers, or employees of CITY. The information includes the employment with or representation of CITY. For purposes of this provision, "County Administrative Official" is defined as a member of the Board of Supervisors or such Officer's staff, Chief Executive Officer or member of such Officer's staff, Department or Group Head, Assistant Department or Group Head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

**30. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES**

CITY agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this DA AGREEMENT. Funds under this DA AGREEMENT will be used exclusively for performance of the work required under this DA AGREEMENT and no funds made available under this AGREEMENT shall be used to promote any religious or political activities.

**31. INDEMNIFICATION**

CITY agrees to indemnify, defend and hold harmless COUNTY and its respective authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this DA AGREEMENT, resulting from the negligent acts, errors or omissions of the CITY, its authorized officers, employees, agents or volunteers, including, but not limited to, such liability, claims, losses, demands, and actions incurred by COUNTY as a result of the determination by HUD or its

successor that activities undertaken by CITY under the program(s) fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to CITY under this DA AGREEMENT were improperly expended.

COUNTY agrees to indemnify, defend and hold harmless CITY, its officers, agents, volunteers, and employees, from any and all claims, actual losses, damages and or liability that may result from the negligent acts, errors or omissions of the COUNTY, its authorized officers, employees, agents, or volunteers arising out of this DA AGREEMENT.

If the Parties are determined to be comparatively at fault for any claim, action, loss, or damage which results from their respective obligations under this DA AGREEMENT, each Party shall indemnify the others to the extent of its comparative fault as determined in a legal action.

This SECTION 31 INDEMNICATION shall survive the termination of this DA AGREEMENT.

**32. INFORMAL DISPUTE RESOLUTION**

In the event the COUNTY determines that service is unsatisfactory, or in the event of any other dispute, claim, question or disagreement arising from or relating to this DA AGREEMENT or breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

**33. LEGALITY AND SEVERABILITY**

The parties' actions under the DA AGREEMENT shall comply with all applicable laws, rules, regulations, court orders and governmental agency orders. The provisions of this DA AGREEMENT are specifically made severable. If a provision of the DA AGREEMENT is terminated or held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full effect.

**34. LICENSES, PERMITS AND/OR CERTIFICATIONS**

CITY shall ensure that it has all necessary licenses, permits and/or certifications required by the laws of federal, state, county, and municipal laws, ordinances, rules and regulations. CITY shall maintain these licenses, permits and/or certifications in effect for the duration of this DA AGREEMENT. CITY will notify COUNTY immediately of loss or suspension of any such licenses, permits and/or certifications. Failure to maintain a required license, permit and/or certification may result in immediate termination of this DA AGREEMENT.

**35. MATERIAL MISSTATEMENT/MISREPRESENTATION**

If during the course of the administration of this DA AGREEMENT, the COUNTY determines that CITY has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the COUNTY, this DA AGREEMENT may be immediately terminated. If this DA AGREEMENT is terminated according to this provision, the COUNTY is entitled to pursue any available legal remedies.

**36. MUTUAL COVENANTS**

The parties to this DA AGREEMENT mutually covenant to perform all of their obligations hereunder, to exercise all discretion and rights granted hereunder, and to give all consents in a reasonable manner consistent with the standards of "good faith" and "fair dealing".

**37. NONDISCLOSURE**

CITY shall hold as confidential and use reasonable care to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, confidential information that is either: (1) provided by the COUNTY to CITY or an agent of CITY or otherwise made available to CITY or CITY's agent in connection with this DA AGREEMENT; or, (2) acquired, obtained, or learned by CITY or an agent of CITY in the performance of this DA AGREEMENT. For purposes of this provision, confidential information means any data, files, software, information or materials in oral, electronic, tangible or

intangible form and however stored, compiled or memorialize and includes, but is not limited to, technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data.

**38. NOTICE OF DELAYS**

Except as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this DA AGREEMENT, that party shall, within five (5) business days, give notice thereof, including all relevant information with respect thereto, to the other party.

**39. SELF-INSURANCE**

CITY and the COUNTY are authorized self-insured public entities for purposes of general liability, automobile liability, professional liability and workers' compensation. CITY and COUNTY warrant that through their respective programs of self-insurance, they have adequate coverage or resources to protect against any liabilities arising out of their performance regarding the terms and conditions of this DA AGREEMENT.

**40. OWNERSHIP OF DOCUMENTS**

All documents, data, products, graphics, computer programs and reports prepared by CITY pursuant to the DA AGREEMENT shall be considered property of the COUNTY upon payment for services (and products, if applicable). All such items shall be delivered to COUNTY at the completion of work under the DA AGREEMENT. Unless otherwise directed by COUNTY, CITY may retain copies of such items.

**41. AMENDMENTS: VARIATIONS**

This writing, with attachments, embodies the whole of this DA AGREEMENT of the parties hereto. There are no oral agreements contained herein. Except as herein provided, additions or variations of the terms of this DA AGREEMENT shall not be valid unless made in the form of a written amendment to this DA AGREEMENT formally approved and executed by both parties.

**42. AIR, WATER POLLUTION CONTROL, SAFETY AND HEALTH**

CITY shall comply with all air pollution control, water pollution, safety and health ordinances and statutes, which apply to the work performed pursuant to this DA AGREEMENT.

**43. RELATIONSHIP OF THE PARTIES**

Nothing contained in this DA AGREEMENT shall be construed as creating a joint venture, partnership, or employment arrangement between the parties hereto, nor shall either party have the right, power or authority to create an obligation or duty, expressed or implied, on behalf of the other party hereto.

**44. RELEASE OF INFORMATION**

No news releases, advertisements, public announcements or photographs arising out of the DA AGREEMENT or CITY's relationship with COUNTY may be made or used without prior written approval of the COUNTY.

**45. REPRESENTATION OF THE COUNTY**

In the performance of this DA AGREEMENT, CITY, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of the COUNTY.

**46. STRICT PERFORMANCE**

Failure by a party to insist upon the strict performance of any of the provisions of this DA AGREEMENT by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this DA AGREEMENT thereafter.

**47. SUBCONTRACTING**

CITY shall obtain COUNTY's written consent, which COUNTY may withhold in its sole discretion, before entering into agreements with or otherwise engaging any subcontractors who may supply any part of the

Services to this Agreement. At COUNTY's request, CITY shall provide information regarding the subcontractor's qualifications and a listing of the subcontractor's key personnel including, if requested by the COUNTY, resumes of proposed subcontractor personnel. CITY shall remain directly responsible to COUNTY for its subcontractors and shall indemnify COUNTY for the actions or omissions of its subcontractors under the terms and conditions specified in Section 31 INDEMNIFICATION. All approved subcontractors shall be subject to the provisions of this DA AGREEMENT applicable to Contractor Personnel.

- A. For any subcontractor, CITY shall:
- a. Be responsible for subcontractor compliance with the DA AGREEMENT and the subcontract terms and conditions; and
  - b. Ensure that the subcontractor follows COUNTY's reporting formats and procedures as specified by COUNTY.

Upon expiration or termination of this DA AGREEMENT, COUNTY will have the right to enter into direct agreements with any of the subcontractors. CITY agrees that its arrangements with subcontractors will not prohibit or restrict such subcontractors from entering into direct agreements with COUNTY.

**48. SUBPOENA**

In the event that a subpoena or other legal process commenced by a third party in any way concerning the goods or services provided under this DA AGREEMENT is served upon CITY or COUNTY, such party agrees to notify the other party in the most expeditious fashion possible following receipt of such subpoena or other legal process. CITY and COUNTY further agree to cooperate with the other party in any lawful effort by such other party to contest the legal validity of such subpoena or other legal process commenced by a third party as may be reasonably required and at the expense of the party to whom the legal process is directed, except as otherwise provided herein in connection with defense obligations by CITY for COUNTY.

**49. TIME IS OF THE ESSENCE**

Time is of the essence in performance of this DA AGREEMENT and of each of its provisions.

**50. VENUE**

The parties acknowledge and agree that this DA AGREEMENT was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue of any action or claim brought by any party to this DA AGREEMENT will be the Superior Court of California, San Bernardino County, San Bernardino District. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this DA AGREEMENT is brought by any third party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, San Bernardino County, San Bernardino District.

**51. CONFLICT OF INTEREST**

CITY shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, employees, or subcontractors and the COUNTY. CITY shall make a reasonable effort to prevent employees, contractors, or members of governing bodies from using their positions for purposes that are, or give the appearance of being motivated by a desire for private gain for themselves or others, such as those with whom they have family business or other ties. Officers, employees, and agents of cities, counties, districts, and other local agencies are subject to applicable conflict of interest codes and state law. In the event the COUNTY determines a conflict of interest situation exists, any increase in costs associated with the conflict of interest situation may be disallowed by the COUNTY, and such conflict may constitute grounds for termination of the DA AGREEMENT. This provision shall not be construed to prohibit employment of persons with whom CITY's officers, employees, or agents have family, business, or other ties so long as the employment of such persons does not result in increased costs over those associated with the employment of any other equally qualified applicant.

**52. DISCLOSURE OF CRIMINAL AND CIVIL PROCEDURES**

COUNTY reserves the right to request the information described herein from the CITY. Failure to provide

the information may result in a termination of the DA AGREEMENT. COUNTY also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. CITY also may be requested to provide information to clarify initial responses. Negative information discovered may result in DA AGREEMENT termination.

CITY is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten (10) years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten (10) years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the CITY will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, CITY is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the CITY will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision "key employees" includes any individuals providing direct service to the COUNTY. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

#### **53. FISCAL PROVISIONS**

CITY shall accept all payments from COUNTY via electronic funds transfer (EFT) directly deposited into the CITY's designated checking or other bank account. CITY shall promptly comply with directions and accurately complete forms provided by COUNTY required to process EFT payments.

COUNTY is exempt from Federal excise taxes and no payment shall be made for any personal property taxes levied on Contractor or on any taxes levied on employee wages. COUNTY shall only pay for any state or local sales or use taxes on the services rendered or equipment and/or parts supplied to the COUNTY pursuant to the DA AGREEMENT.

CITY shall adhere to the COUNTY's Travel Management Policy (8-02 and 08-02SP1) when travel is pursuant to this DA AGREEMENT and for which reimbursement is sought from the COUNTY. In addition, Contractor is encouraged to utilize local transportation services, including but not limited to, the Ontario International Airport.

#### **54. CORRECTION OF PERFORMANCE**

Failure by CITY to comply with any of the provisions, covenants, requirements or conditions of this DA AGREEMENT shall be a material breach of this DA AGREEMENT.

In the event of a non-cured breach, COUNTY may, at its sole discretion and in addition to any other remedies available at law, in equity, or otherwise specified in this DA AGREEMENT:

- A. Afford CITY thereafter a time period within which to cure the breach, which period shall be established at the sole discretion of COUNTY; and/or
- B. Discontinue reimbursement to CITY for and during the period in which CITY is in breach, which reimbursement shall not be entitled to later recovery; and/or
- C. Withhold funds pending duration of the breach; and/or
- D. Offset against any monies billed by CITY but yet unpaid by COUNTY those monies disallowed pursuant to Item "b" of this paragraph; and/or
- E. Terminate this DA AGREEMENT immediately and be relieved of the payment of any consideration to CITY. In the event of such termination, COUNTY may proceed with the work in any manner deemed

proper by COUNTY. The cost to the COUNTY shall be deducted from any sum due to the CITY under this DA AGREEMENT and the balance, if any, shall be paid by the CITY upon demand.

**55. ENTIRE AGREEMENT**

This DA AGREEMENT, including all Exhibits and other attachments, which are attached hereto and incorporated by reference, and other documents incorporated herein, represents the final, complete and exclusive agreement between the parties hereto. Any prior agreement, promises, negotiations or representations relating to the subject matter of this DA AGREEMENT not expressly set forth herein are of no force or effect. This DA AGREEMENT is executed without reliance upon any promise, warranty or representation by any party or any representative of any party other than those expressly contained herein. Each party has carefully read this DA AGREEMENT and signs the same of its own free will.

**56. ELECTRONIC SIGNATURES**

This DA AGREEMENT may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this DA AGREEMENT (whether by facsimile, PDF or other mail transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed DA AGREEMENT upon request.

**IN WITNESS WHEREOF**, the COUNTY and the CITY have each caused this DA AGREEMENT to be subscribed by its respective duly authorized officers, on its behalf.

SAN BERNARDINO COUNTY

CITY OF CHINO

▶ \_\_\_\_\_  
Luther Snoke, Chief Executive Officer

By: ▶ \_\_\_\_\_  
*(Authorized signature - sign in blue ink)*

Name: \_\_\_\_\_  
Linda Reich

Title: \_\_\_\_\_  
City Manager  
*(Print or Type)*

Dated: \_\_\_\_\_

Address: P.O. Box 667  
Chino, CA 91708-0667  
\_\_\_\_\_

Dated: \_\_\_\_\_

**FOR COUNTY USE ONLY**

Approved as to Legal Form	Reviewed for Contract Compliance	Reviewed/Approved by Department
▶ _____ Suzanne Bryant, Deputy County Counsel	▶ _____	▶ _____ Robert Gilliam, Acting Director
Date _____	Date _____	Date _____