Council Meeting of
March 9, 2010

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Public Works - Approve Amendments to Agreement with First 5 LA for the receipt of grant funding for the installation of fluoridation treatment facilities and authorize designated staff as agency signatories. Expenditure: Not applicable

RECOMMENDATION

Recommendation of the Public Works Director that City Council:

1. Approve two Amendments to Agreement C2009-038 with First 5 LA to extend the term through February 28, 2011. The Agreement provides the City with grant reimbursement funding of up to $124,120 for the installation of fluoridation facilities at local water supply sources.

2. Authorize Public Works Director Robert J. Beste and designees as the Authorized Agency Signatories to make future changes and submit documents in accordance with the Contractor Signature Authorization Form.

Funding

No additional funding required.

BACKGROUND AND ANALYSIS

At the City Council meeting of February 10, 2009, the Council authorized entering into an agreement with the First 5 LA organization for the acceptance of up to $124,120 in reimbursable grant funding. The funding would be used for capital costs for the installation of fluoridation treatment equipment at local groundwater and groundwater desalter water supply sites within the Torrance Municipal Water (TMW) service area.

In the fall of 2007, the Metropolitan Water District of Southern California (MWD) began deliveries of fluoridated treated water supplies to all its member agencies, including Torrance which currently receives approximately 85% of its drinking water supply from MWD imported deliveries. The installation of fluoridation treatment facilities at local water sources will ensure that all TMW customers receive a consistent, uniform and optimized level of fluoride treatment within the municipal service area.

The grant arrangement with First 5 LA is for a two year period. However, the initial Agreement was for one year, and First 5 has submitted two memo Amendments that extend the Agreement for the full two year term of the grant. The first Amendment reaffirms the original Agreement terms and indicates that the initial Agreement was for one year. The second Amendment extends the Agreement an additional year, through the end of February 2011. In addition to the two Amendments, the other document for Council approval is the Contractor Signature Authorization Form, which enables the Public Works Director and his designees to make certain decisions and submit documents to First 5 as required.

Currently TMW us in the process of finalizing plans and specifications for the fluoridation project, and it is estimated that project construction will be completed in the fall 2010. Upon completion of the fluoridation project, TMW will receive the full grant funding for incurred capital costs of up to $124,120.The Water Commission considered this matter at their February 18, 2010 meeting and took a position to conceptually concur with a staff recommendation to extend the Agreement with First 5 through February 2011.

Respectfully submitted,

ROBERT J. BESTE
Public Works Director

Charles J. Schaich
Charles J. Schaich
By Senior Administrative Analyst

CONCUR:

Jack van der Linden
Deputy Public Works Director

Robert J. Beste
Public Works Director

LeRoy J. Jackson
City Manager

Attachments: A. First Amendment to Agreement C2009-038
B. Second Amendment to Agreement C2009-038
C. Contractor Signature Authorization Form
D. Agreement C2009-038

ATTACHMENT A

Champions For Our Children

Memo

COMMISSIONERS
Los Angeles County Supervisor
Gloria Molina
Chair

Marvin J. Southard, D.S.W.
Vice Chair

Nancy Au

Jane Boeckmann

Jonathan E. Fielding, M.D., M.P.H.

Neal Kaufman, M.D., M.P.H.

Alma D. Martinez

Evangelina R. Stockwell, Ed.D.

Carolyn R. Wilder

EX OFFICIO MEMBERS
Duane Dennis

Deanne Tilton

Harriette F. Williams, Ed.D.

EXECUTIVE DIRECTOR
Evelyn V. Martinez

750 N. Alameda Street
Suite 300
Los Angeles, CA 90012
phone: 213.482.5902
fax: 213.482.5903
www.first5la.org

A public entity.

To: Frank Scotto, Mayor

From: Evelyn V. Martinez, Executive Director EVM

Date: February 22, 2010

Subject: AMENDMENT #1 TO CONTRACT #07359 - CITY OF TORRANCE MUNICIPAL WATER FLOURIDATION FACILITIES PROJECT, ORAL HEALTH COMMUNITY DEVELOPMENT INITIATIVE

This document is official notification that Contract #07359, dated February 19, 2009 has been revised to reflect the changes to the terms of the contract negotiated between City of Torrance Municipal Water (Contractor) and the Los Angeles County Children and Families First – Proposition 10 Commission (Commission). This memorandum, when signed by the authorized signatories below, will constitute a duly executed amendment, incorporating the changes set forth below into said Contract. The remaining provisions of the Contract are in full force and effect.

4. TERM OF CONTRACT

This Contract shall become effective March 1, 2009 ("effective date") and shall terminate February 28, 2010 ("termination date") unless terminated earlier as provided herein. In no event shall the total approved contract amount exceed $124,120 **over a two year period from the effective date** for all goods, labor and services to be provided by CONTRACTOR. **Due to the nature of the project (capital cost/renovation), it is permissible for the CONTRACTOR to utilize up to the total amount of $124,120 anytime within the two year period.**

BUDGET:

The dates on the Budget have been amended and approved to reflect the changes set forth above as Exhibits B and form an integral part of this contract.

By acknowledging this memorandum where indicated below, you represent that you have reviewed and agree to the above-described amendment to the Contract #07359 with the Los Angeles County Children and Families First – Proposition 10 Commission and that you are legally authorized to sign and bind an agreement on behalf of City of Torrance Municipal Water.

CONTRACTOR

Agreed and Accepted:

Name of Contractor: City of Torrance Municipal Water

Contract Number: 07359

Print Name and Title of Authorized Signatory: Frank Scotto, Mayor

Signature: _____ **Date** _____

Print Name and Title of Authorized Signatory: Sue Herbers, City Clerk

Attest: _____ **Date** _____

Print Name and Title of Authorized Signatory: John L. Fellows III, City Attorney

Approved as to form: _____ **Date** _____

COMMISSION

Approved:

Print Name and Title of Authorized Signatory: Evelyn V. Martinez, Executive Director

Signature: _____ **Date** _____

EVM:je

ATTACHMENT B

Champions For Our Children

Memo

COMMISSIONERS
Los Angeles County Supervisor
Gloria Molina
Chair

Marvin J. Southard, D.S.W.
Vice Chair

Nancy Au

Jane Boeckmann

Jonathan E. Fielding, M.D., M.P.H.

Neal Kaufman, M.D., M.P.H.

Alma D. Martinez

Evangelina R. Stockwell, Ed.D.

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EXECUTIVE DIRECTOR
Evelyn V. Martinez

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phone: 213.482.5902
fax: 213.482.5903
www.first5la.org

A public entity.

To: Frank Scotto, Mayor

From: Evelyn V. Martinez, Executive Director

Date: February 22, 2010

Subject: AMENDMENT #2 TO CONTRACT #07359 CITY OF TORRANCE MUNICIPAL WATER FLOURIDATION FACILITIES PROJECT ORAL HEALTH COMMUNITY DEVELOPMENT INITIATIVE

This document is official notification that Grant Agreement #07359, dated February 19, 2009, has been revised to reflect an end date extension that has been negotiated between the City of Torrance Municipal Water (Contractor) and the Los Angeles County Children and Families First – Proposition 10 Commission (Commission). This memorandum, when executed by the authorized signatories below, will constitute a duly-approved written amendment, incorporating the changes set forth below into said Grant Agreement.

Page 4. TERM OF CONTRACT

This Contract shall become effective March 1, 2009 ("effective date") and shall terminate **February 28, 2011** ("termination date") unless terminated earlier as provided herein. In no event shall the total approved grant amount exceed **$124,120** for all goods, labor and services to be provided by CONTRACTOR. **Due to the nature of the project (capital cost/renovation), the CONTRACTOR was permitted to utilize up to the total amount of $124,120 anytime within the two year period from the effective date of March 1, 2009. Of the total approved amount, $0 was spent in Year 1 (3/01/09-2/28/10), and a total balance of $124,120 remains for Year 2 (3/01/10-2/28/11).**

SCOPE OF WORK:

The Scope of Work is amended and approved and is attached as Exhibit A and forms an integral part of this Grant Agreement.

City of Torrance Municipal Water
February 26, 2010
Page 2

BUDGET:

The Budget has been amended and approved to reflect the changes set forth above as Exhibit B and forms an integral part of this contract.

The remaining provisions of the contract are in full force and effect.

By acknowledging this memorandum where indicated below, you represent that you have reviewed and agree to the above-described amendment to the Oral Health Community Development Contract #07539 with the Los Angeles County Children and Families First – Proposition 10 Commission and that you are legally authorized to sign and bind an agreement on behalf of City of Torrance Municipal Water.

GRANTEE

Agreed and Accepted:

Name of Grantee: City of Torrance Municipal Water

Grant Number: 07539

Print Name and Title of Authorized Signatory: Frank Scotto, Mayor

Signature: _____ **Date** _____

Print Name and Title of Authorized Signatory: Sue Herbers, City Clerk

Attest: _____ **Date** _____

Print Name and Title of Authorized Signatory: John L. Fellows III, City Attorney

Approved as to form: _____ **Date** _____

COMMISSION

Approved:

Print Name and Title of Authorized Signatory: Evelyn V. Martinez, Executive Director

Signature: _____ **Date** _____

EVM:je

ATTACHMENT C

Print Form

FIRST 5 LA
Champions For Our Children

Form____ of ____

CONTRACTOR SIGNATURE AUTHORIZATION FORM

Agency Name:	City of Torrance Municipal Water	Contract Number:	7359
Project Name:	Water Fluoridation Facilities	Contract Period:	3/1/10-2/28/11

COMPLETE PART 1 AND PART 2 IN BLUE INK. ATTACH BOARD RESOLUTION, IF APPLICABLE, TO VERIFY SIGNATURE AUTHORIZATION.

PART 1 CERTIFICATION: PER THE AGENCY'S BYLAWS AND THE ATTACHED BOARD RESOLUTION (IF APPLICABLE), I/WE HEREBY VERIFY THAT I AM AN AUTHORIZED AGENCY SIGNATORY/WE ARE AUTHORIZED AGENCY SIGNATORIES FOR THE AFOREMENTIONED AGENCY AND AS SUCH CAN SIGN AND/OR DELEGATE AUTHORIZATION TO SIGN AND BIND THE AGENCY AS IT RELATES TO THE ABOVE-REFERENCED PROGRAM TO THE DELEGATED AUTHORIZED SIGNATORY/SIGNATORIES LISTED ON THIS FORM.

SIGNATURE AUTHORIZATION IS PROVIDED TO AGENCY AUTHORIZED SIGNATORY BELOW:

- ☐ PER SECTION (INCLUDE SECTION NUMBER) ☐ SECTION # OF THE AGENCY'S BYLAWS
- ☒ PER THE BOARD'S RESOLUTION (COPY ATTACHED) (Per City Council Action)

CONTRACT/AMENDMENTS WILL REQUIRE:

- ☒ ONE SIGNATURE PER BYLAWS (Per City Council Action) OR ☐ TWO SIGNATURES PER BYLAWS or AS A CORPORATION**

AGENCY AUTHORIZED SIGNATORY

Print Name: ROBERT J. BEST Title: PUBLIC WORKS DIRECTOR

Signature: [signature] Date: 2/23/10

**AGENCY AUTHORIZED SIGNATORY:

Print Name: Title:

Signature: Date:

**If Agency is a corporation, two (2) authorized signatories will be required on all documents submitted, unless specified in the organization's Bylaws or corporate resolution.

PART 2. DELEGATED AUTHORIZED SIGNATORIES

AUTHORIZED SIGNATORY

Print Name: ELIZABETH OVERSTREET Title: ENGINEERING MANAGER

Signature: [signature] Date: 2/23/10

DOCUMENT(S) Authorized to sign: ☒ INVOICES ☐ REPORTS ☐ CONTRACT ☐ CONTRACT AMENDMENTS ☐ BUDGET & BUDGETAMENDMENTS

AUTHORIZED SIGNATORY

Print Name: Charles Schaich Title: Sr. Analyst

Signature: Charles Schaich Date: 2/23/10

DOCUMENT(S) Authorized to sign: ☐ INVOICES ☒ REPORTS ☐ CONTRACT ☐ CONTRACT AMENDMENTS ☒ BUDGET & BUDGETAMENDMENTS

AUTHORIZED SIGNATORY

Print Name: Title:

Signature: Date:

DOCUMENT(S) Authorized to sign: ☐ INVOICES ☐ REPORTS ☐ CONTRACT ☐ CONTRACT AMENDMENTS ☐ BUDGET & BUDGETAMENDMENTS

AUTHORIZED SIGNATORY

Print Name: Title:

Signature: Date:

DOCUMENT(S) Authorized to sign: ☐ INVOICES ☐ REPORTS ☐ CONTRACT ☐ CONTRACT AMENDMENTS ☐ BUDGET & BUDGETAMENDMENTS

IMPORTANT NOTE: If the signature authorization status of any individual changes during the term of the contract, it is the responsibility of the contractor to notify their respective Program Officer/Research Analyst/ Public Affairs Officer regarding the change and to complete and submit a new Signature Authorization form. Incorrect information on file may delay the processing of any of the documents submitted.

USE NEW PAGE FOR ADDITIONAL AUTHORIZED SIGNATORIES. ALL ADDITIONAL PAGES MUST BE SIGNED BY THE AGENCY'S AUTHORIZED SIGNATORY OR SIGNATORIES.

FIRST 5 LA

Champions For Our Children

COMMISSIONERS
Los Angeles County Supervisor
Yvonne Burke
Chair

Jonathan E. Fielding, M.D M.P.H.
Vice Chair

Nancy Au

Jane Boeckmann

Neal Kaufman, M.D., M.P.H.

Marvin J. Southard, D.S.W.

Evangelina R. Stockwell, Ed.D.

Corina Villaraigosa

Carolyn R. Wilder

EX OFFICIO MEMBERS
Jacquelyn McCroskey, D.S.W.

Connie Russell

Deanne Tilton

Harriette F. Williams, Ed.D.

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A public entity.

CONTRACT#	07359

LOS ANGELES COUNTY CHILDREN AND FAMILIES FIRST PROPOSITION 10 COMMISSION (AKA FIRST 5 LA)

CONTRACT

C2009-038

For

ORAL HEALTH COMMUNITY DEVELOPMENT INITIATVE

Year 1

FOR THE PERIOD

March 1, 2009 – February 28, 2010

ORIGINAL COPY

CONTRACT FOR
Oral Health Community Development Initiative

This Contract, made and entered into this 19th day of February 2009, by and between

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST
PROPOSITION 10 COMMISSION (AKA FIRST 5 LA)
Hereinafter referred to as
"COMMISSION"

and

City of Torrance

Municipal Water

Hereinafter referred to as
"CONTRACTOR,"

Collectively referred to as the "Parties"

CONTRACT AMOUNT: **$124,120.00**

CONTRACT NUMBER: **07359**

Los Angeles County Children and Families First
Proposition 10 Commission (AKA First 5 LA)

ORAL HEALTH COMMUNITY DEVELOPMENT INITIATVE

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1. APPLICABLE DOCUMENTS

1.1. Exhibits A – D, inclusive, and E (if applicable), as described below, are attached to and form an integral part of this Contract, and are hereby incorporated by reference. Exhibits F, G and H, as described below, will be completed by CONTRACTOR at later dates and forwarded to COMMISSION as specified in Sections 6.7, 6.9, and 9.1 of this Contract, and are hereby incorporated by reference as mandatory reports that are an integral part of this Contract.

1.2. In the event of any conflict in the definition or interpretation of any provision of this Contract and any provision of the Exhibits, or among provisions of the Exhibits, said conflict or inconsistency shall be resolved by giving precedence first to this Contract, and then to the Exhibits according to the following priority:

Exhibit A STATEMENT OF WORK, SCOPE OF WORK, and EVALUATION PLAN or SCOPE OF WORK/ PROGRAM IMPLEMENTATION AND EVALUATION PLAN, as applicable

Exhibit B BUDGET FORMS

Exhibit C ORIGINAL PROPOSAL

Exhibit D ADDITIONAL REQUIRED DOCUMENTS as listed in CONTRACT DOCUMENT CHECKLIST

Exhibit E MEDI-CAL ADMINISTRATIVE ACTIVITIES (MAA) FORMS (if applicable)

Exhibit F FINAL EVALUATION REPORT (School Readiness Initiative (SRI) Only)

Exhibit G INVOICE FORM

Exhibit H MID-YEAR AND YEAR-END REPORTS or QUARTERLY REPORTS and SUSTAINABILITY PLAN (if applicable)

2. COMMISSION OBJECTIVES

2.1. Mission Statement

Our mission is to make significant and measurable progress toward increasing the number of children from the prenatal stage through age 5 in Los Angeles County who are physically and emotionally healthy, safe and ready to learn when they reach school age.

2.2. Vision

The COMMISSION is committed to creating a future throughout Los Angeles' diverse communities where all young children are born healthy and raised in a loving and nurturing environment so that they grow up healthy, are eager to learn and reach their full potential.

2.2.1. Values

We intend to make our vision come true by shaping our efforts around five core values:

a. Families: We will acknowledge and amplify the voice of families so that they have the information, resources and opportunities to raise their children successfully
b. Communities: We will strengthen communities by enhancing their abilities to support families.
c. Results Focus: We will be accountable for defining results for young children and for our success in achieving them.
d. Learning: We will be open to new ideas and will modify our approaches based on what we learn.
e. Advocacy: We will use our unique role to build public support for policies and programs that benefit children prenatal through age 5 and their families.

2.3. Goals

We will accomplish our mission by partnering with communities and families in Los Angeles County to make measurable and significant progress in the three priority goal areas of Early Learning, Health, and Safe Children and Families.

2.4. Program Purpose

COMMISSION shall provide the funds for specific programs and services proposed by CONTRACTOR in its Scope of Work and Evaluation Plan or Scope of Work/Program Implementation and Evaluation Plan, as applicable, (Exhibit A), hereinafter referred to as "**Scope of Work**," and in its budget (Exhibit B). The purpose of the funds is to provide CONTRACTOR (Water Agency) with capital and associated funds necessary for fluoridation of the CONTRACTOR'S community water system (the "Project") in support of one of the goal areas of the COMMISSION'S Strategic Plan. Funds may be used only for Eligible Capital Costs, as are approved by the COMMISSION.

The CONTRACTOR is solely responsible for the design, construction, operation, and maintenance of the Project and for all persons or entities engaged in such work, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. Review or approval of plans, specifications, bid documents, or other construction documents by the COMMISSION is solely for the purpose of proper administration of the funds by the COMMISSION and shall not be deemed to relieve or restrict the CONTRACTOR'S responsibility.

2.5. Definitions

Capitalized terms used in relation to this Contract have the meanings in this Section 2.5 or elsewhere in this Contract or Exhibits, unless the context clearly requires otherwise.

2.5.1. "DDWEM" shall mean the Division of Drinking Water and Environmental Management of California Department of Health Services ("DDWEM").

2.5.2. "Eligible Capital Costs" shall mean costs associated with the design and construction of the Project.

2.5.3. "Project" is defined in Section 2.4 of this Contract.

2.5.4. "Project Completion Date" is defined in Section 6.15 of this Contract.

2.5.5. "Water Agency" refers to any entity considered to own and operate a community water system, including, but not limited to, public, private, and municipal water districts/companies/agencies providing water to consumers in Los Angeles County.

2.6. Design and Construction of Project

The Project shall be designed and constructed in accordance with the plans and specification set forth in Exhibit A – Scope of Work attached hereto. The CONTRACTOR shall not proceed with construction of the Project unless and until the plans and specification have been approved by the DDWEM. The CONTRACTOR shall not make any changes in the Project, or issue any change orders to a contractor or subcontractor, without receiving prior written approval from the COMMISSION, which approval shall not be unreasonably withheld.

3. CONDUCT OF PROGRAM

3.1. CONTRACTOR shall abide by all terms and conditions imposed and required by this Contract and shall abide by all subsequent revisions, modifications and administrative changes as agreed upon in writing by both Parties to this Contract by a written Amendment thereto.

3.2. CONTRACTOR shall in a professional, safe and responsible manner, operate and conduct the programs and services as outlined in the Scope of Work in accordance with the documents which are part of this Contract, applicable law, and the general standards of care applicable to CONTRACTOR'S business.

4. TERM OF CONTRACT

This Contract shall become effective **March 1, 2009 ("effective date")** and shall terminate **February 28, 2010**, **("termination date")** unless terminated earlier as provided herein. In no event shall the total approved contract amount exceed **$124,120.00** for all goods, labor and services to be provided by CONTRACTOR. If applicable, programs that demonstrate success (in relation to the stated objectives in the Scope of Work documents and completion of CONTRACTOR'S program) during this contract period may be eligible to receive a non-competitive continuation contract for subsequent contract year(s) at the COMMISSION'S sole and exclusive authority only. CONTRACTOR expressly acknowledges and agrees that project funding is provided on a year-to-year basis and that funding beyond the term of this Contract will be contingent upon factors which include, without limitation, COMMISSION'S annual budget and CONTRACTOR'S performance.

5. IMPLEMENTATION OF PROGRAM

Implementation of CONTRACTOR'S funded program must begin within thirty (30) calendar days after the effective date, per Section 4 of this Contract.

6. PROGRAM EVALUATION AND REVIEW

6.1. CONTRACTOR shall submit a Scope of Work (Evaluation Plan, if applicable) that outlines the scope of CONTRACTOR'S funded program to evaluate the performance of work completed under this Contract.

6.2. CONTRACTOR shall participate in the evaluation activity COMMISSION is sponsoring for each of its initiatives, and shall modify CONTRACTOR'S Scope of Work if directed to do so by

COMMISSION based on the information provided in an evaluation. If applicable, CONTRACTOR may be required to participate in activities related to an Institution Review Board (IRB) related to Human Subjects Protection.

6.3. Any such modifications recommended by COMMISSION to CONTRACTOR'S Scope of Work (Evaluation Plan, if applicable) are not subject to Section 7.2 of this Contract.

6.4. If applicable, CONTRACTOR shall participate in and cooperate with statewide efforts to evaluate Proposition 10 efforts. CONTRACTOR may opt out of the statewide evaluation efforts only if by participating, the CONTRACTOR would be violating applicable law, Confidentiality or other binding agreements,, and/or any internal Board policies related to the dissemination of confidential data. CONTRACTOR shall provide written notice to COMMISSION of its decision to opt out. In the event CONTRACTOR opts out, CONTRACTOR will still be required to provide aggregate data or completed surveys about systems change and operations accomplished by CONTRACTOR'S lead agency and its collaborative partners.

6.5. CONTRACTOR shall, at reasonably own expense, participate in and cooperate with any financial and/or program audit activities required by the COMMISSION, County or the State during the four (4) calendar years immediately following the termination of this Contract. To facilitate any such audit, CONTRACTOR shall maintain all records and documents associated with its activities pursuant to this Contract in a place and manner reasonably accessible to the COMMISSION and auditors.

6.6. CONTRACTOR shall establish, maintain and permit reasonable COMMISSION and/or auditor access to, except to the extent any of the following does not relate to the project, case files/records, receipts, payroll records, client/user complaints, monthly/quarterly reports, records required by other provisions of this contract and all fiscal records for a period of four (4) years following the termination date and shall establish all necessary mechanisms to keep program data confidential and secure

6.7. CONTRACTOR shall submit Mid-Year and Year-End Reports or Quarterly Reports (Exhibit H), as applicable, containing basic service level estimates of work completed per reporting period by the designated due date provided. CONTRACTOR may be required to use a secure Internet site to submit basic service data.

6.8. As applicable CONTRACTOR shall submit Sustainability Plan (Exhibit H), detailing the sustainability activities pursuant to the program and services funded under this contract.

6.9. Within twenty (20) business days after the termination of this contract, CONTRACTOR shall submit a Year-End Report (Exhibit H) or Final Evaluation Report (Exhibit F), as applicable, detailing the outcomes of the programs and services provided pursuant to this contract.

6.10. At any time during CONTRACTOR'S business hours and upon reasonable notice by COMMISSION during the term of contract, CONTRACTOR shall allow COMMISSION staff or contractors to evaluate, audit, inspect and monitor its facilities, program operations, and records maintained in connection with this contract. The inspection methods that may be used include:

- On-site visits
- Interviews of CONTRACTOR'S staff project related program participants
- Review, examination or audit of case files/records, receipts, client/user complaints, monthly/quarterly reports, and fiscal records
- Inspection of CONTRACTOR'S internal monitoring and evaluation system

With respect to inspection of CONTRACTOR'S records, COMMISSION may require that CONTRACTOR provide supporting documentation to substantiate CONTRACTOR'S reported expenses and basic service level estimates of work completed.

6.11. CONTRACTOR shall have an annual financial statement and compliance audit performed by a Certified Public Accountant licensed to practice within the State of California. The audit should cover the CONTRACTOR'S fiscal year. Audit must be submitted to the COMMISSION on an annual basis within 120 days after the close of the CONTRACTOR'S fiscal year.

6.11.1. If the audit report is not received on or before the required due date and an extension has not been granted by the COMMISSION, the audit requirement shall be considered delinquent and immediate corrective action may be required.

6.11.2. If the CONTRACTOR fails to produce or submit the required audit, the COMMISSION reserves the right to secure an Auditor and the CONTRACTOR shall be liable for all COMMISSION costs incurred for the completion of the audit.

6.12. CONTRACTOR shall ensure the cooperation of all subcontractors, employees, volunteers, staff and Board members in any such evaluation, audit, inspection, and monitoring efforts to the extent permitted or required by law. COMMISSION shall protect the confidentiality of proprietary information made available to COMMISSION during such processes.

6.13. COMMISSION reserves the right to require modification to this contract and the programs and services provided by CONTRACTOR pursuant to this contract based on the results of its evaluation(s) and review(s). In addition, COMMISSION may use the results of such evaluation(s) and review(s) in decisions regarding possible future funding, extension, or renewal of CONTRACTOR'S program and service. The evaluation(s) shall include, but are not limited to, Contract compliance, and effectiveness of program planning and impact. COMMISSION at its sole discretion will conduct on-going assessments of the program.

6.14. As applicable with respects to data ownership and confidentiality, the following provisions will be required:

6.14.1. The COMMISSION and CONTRACTOR will maintain joint ownership of any raw data produced during the course of this contract.

6.14.2. To facilitate this joint ownership, the COMMISSION will develop, as applicable, a mechanism for file sharing via the Internet. Until such mechanism is developed, the CONTRACTOR shall provide data to the COMMISSION at time intervals determined by the COMMISSION and CONTRACTOR to be appropriate for the work of the project.

6.14.3. Both the CONTRACTOR and the COMMISSION shall implement and comply with HIPAA and adequate procedures to maintain the confidentiality of data and information collected pursuant to this contract. CONTRACTOR shall be responsible for complying with all applicable state and federal laws governing the gathering, use and protection of personal information and the protection of human subjects.

6.15. The CONTRACTOR shall certify to the COMMISSION that the Project is complete and ready for final inspection. The CONTRACTOR shall obtain an operations certification and approval of the operating permit from the DDWEM prior to the facility being placed into operation. The date of such certification and approval shall be the "Project Completion Date" for the purpose of this Contract. The CONTRACTOR agrees to proceed expeditiously and shall meet a Project Completion Date of not later than two (2) years from the Effective Date, which date may be

extended only upon written approval of the COMMISSION. The failure of the CONTRACTOR to meet the Project Completion Date may, at the option of the COMMISSION, be considered material breach of this Contract and may result in the termination per Section 29.1.

7. MODIFICATION OF AGREEMENT DOCUMENTS

7.1. This Contract constitutes the complete and exclusive statement of understanding between the Parties that supersedes all previous Agreements, written or oral, and all other communications between the Parties relating to the subject matter of this Contract. No amendment or modification to this Contract is valid unless the same is in writing and is executed by both Parties. No oral conversation, promise or representation by or between any officer or employee of the Parties shall modify any of the terms or conditions of this Contract. COMMISSION shall not be deemed to have approved or consented to any alteration of the terms of this Contract by virtue of its review and approval of, or failure to object to, contracts or other business transactions entered into by CONTRACTOR.

7.2. PROGRAM Modifications

CONTRACTOR'S requests for PROGRAM modifications, as opposed to budget modifications provided for in Section 9, must be submitted in writing to COMMISSION or its designee, at least one (1) month prior to the requested effective date of such modification.

7.2.1. Program modifications are subject to review and approval by the State prior to COMMISSION approval (SRI Only).

7.3. Time Limits

Request for modifications will not be accepted during the first two (2) months and the final three (3) months of this Contract period, and not more than TWICE thereafter.

8. MONTHLY FINANCIAL REPORTING

During the duration of this Contract, CONTRACTOR shall provide to COMMISSION a Schedule of Monthly and Year to Date Expenses incurred in its performance, using CONTRACTOR'S Line Item Budget format approved for this Contract (Exhibit B).

This Schedule shall be verified under penalty of perjury by an officer of CONTRACTOR and shall be submitted to COMMISSION by the 20th business day of each month for the previous month, beginning **April 2009** for the month of **March 2009.**

9. PAYMENTS AND EXPENDITURES

9.1. Monthly Payments to Contractor

- From the **second** month through the **eleventh** month of CONTRACTOR'S performance under the Agreement and no later than the 20th business day following COMMISSION'S receipt of CONTRACTOR'S properly completed invoice each month (Exhibit G), COMMISSION shall pay CONTRACTOR the actual expenses documented on the invoice minus the amount of any unmet cash match per Section 9.6, if applicable, provided that CONTRACTOR is not in material breach of any aspect of the Agreement. If CONTRACTOR does not comply with the timeframe set forth above, CONTRACTOR will be considered out of compliance and may be subject to sanctions including but not limited to a penalty not to exceed five percent (5%) of each outstanding invoice.

9.2. Final Payment to Contractor

9.2.1. Not later than the 20th business day of the first month after the end of the **February 28, 2010,** or the date of the satisfactory completion of CONTRACTOR'S proposed project, if proposed to be less than one year in duration, CONTRACTOR shall supply to COMMISSION a final completed invoice (Exhibit G) for the Contract term and the final evaluation report (Exhibit F) required by Section 6.9.

9.2.2. Within 20 business days of its receipt of such Documents:

- COMMISSION shall pay CONTRACTOR the balance due of the total approved budget, not to exceed CONTRACTOR'S total actual approved expenses for the contract year, or CONTRACTOR shall repay COMMISSION any amount received in excess of total actual approved expenses for the contract year.

- In no event shall CONTRACTOR be paid more than the annual total approved budget amount or receive full payment before the end of the contract period.

9.3. All COMMISSION payments are conditioned upon CONTRACTOR being in full compliance with all provisions of this Contract.

9.4. Expenditures by Contractor

All CONTRACTOR expenditures shall be in accordance with the approved line item budget captions. However, CONTRACTOR may modify a portion of CONTRACTOR'S approved budget, if such budget line item is as follows and the COMMISSION has been advised in advance prior to the costs being incurred:

9.4.1. If the original line item is $5,000 or less dollars, CONTRACTOR can incur expenses pursuant to an informal modification, and shall submit a memorandum to COMMISSION explaining the modification along with the monthly invoice required by Section 9.1.

9.4.2. If the original line item is greater than $5,000 dollars and the change is less than or equal to 10% of the original line item, CONTRACTOR can incur expenses pursuant to an informal modification, and shall submit a memorandum to COMMISSION explaining the modification along with the monthly invoice required by Section 9.1.

9.4.3. If the original line item is greater than $5,000 dollars and the modification is greater than 10% of the line item, CONTRACTOR must obtain COMMISSION'S *prior written approval* through the COMMISSION'S formal budget modification procedure before incurring expenses pursuant to the modification.

9.4.4. Formal budget modifications must be addressed and sent to the Grants Management and Legal Compliance Department with the appropriate "Formal Budget Modification Summary" forms on or before the 1st of the month prior to the month in which the expenses will be incurred. Only one (1) formal budget modification can be approved during the term of the Agreement. Requests for modifications under Section will not be accepted during the first two (2) months and last quarter of the term of this Contract.

9.4.5. Only two (2) informal budget modification subject to Sections 9.4.1 and 9.4.2 can be approved during the term of this Contract.

9.4.6. Approval of any budget modification will be contingent on the timely review and submission of the required documentation by the contractor.

9.5. If there are any errors contained in any invoice submitted to COMMISSION, CONTRACTOR shall reflect the change in the most recent invoice submitted to COMMISSION, along with a note explaining the error.

9.6. CONTRACTOR will advise COMMISSION of the source and amount of all matching funds used to provide programs and services pursuant to this Contract.

9.7. CONTRACTOR will advise COMMISSION AND obtain written approval on ALL budget modifications prior to incurring costs (SRI only).

9.8. In the event COMMISSION reasonably believes CONTRACTOR has been overpaid, or in the event CONTRACTOR fails to timely submit the documents required pursuant to this Contract, COMMISSION shall provide written notice of such occurrence. COMMISSION may seek a financial accounting and avail itself of all legal remedies to seek compliance and the repayment of any amounts overpaid.

9.9. All payments by COMMISSION to CONTRACTOR under this Contract are restricted for use in the performance of CONTRACTOR'S approved Scope of Work set forth in Exhibit A, and shall be used only to supplement existing levels of service and not to fund existing levels of service.

9.10. If applicable, any activities under the line item Capital Costs/Renovations must be completed within the second year of the contract. Any adjustment must be submitted to the COMMISSION for approval. It shall be the sole responsibility of CONTRACTOR to comply with all applicable land use, permitting, environmental, contracting, and labor laws, including, without limitation, the California Public Contracts Code and the California Labor Code.

9.11. In no event shall CONTRACTOR or its officers, employees, agents, subcontractors or assignees supplant state, county, local or other governmental General Fund money with COMMISSION funds for any purpose

9.12. In-direct costs are limited to ten (10) percent of the personnel costs excluding fringe benefits. Incurred indirect costs exceeding the ten percent will become the responsibility of the CONTRACTOR.

10. ACCOUNTING

CONTRACTOR must establish and maintain on a current basis an adequate accounting system in accordance with generally accepted accounting principles.

11. TANGIBLE REAL AND PERSONAL PROPERTY

CONTRACTOR must maintain a record for each item of tangible real or personal property of a value in excess of five hundred dollars ($500.00) acquired with project funds pursuant to this Contract, which records shall include the model number, serial number, legal description (if applicable), cost, invoice or receipt, date acquired and date and manner disposed of, if applicable. However, COMMISSION reserves the right to request annually updated records for all personal property acquired with program funds provided under this Contract.

COMMISSION and CONTRACTOR agree that all items of tangible real or personal property purchased with funds provided under this Contract shall, at COMMISSION'S option, become the property of the COMMISSION upon completion or termination of contract. COMMISSION shall exercise its option to

retain items of real or personal property within the thirty (30) calendar days immediately preceding and following the termination of this Contract. Notwithstanding the foregoing, CONTRACTOR may request, and COMMISSION may in its sole discretion approve or deny, that CONTRACTOR retain custody, control or actual ownership of specified items of personal property acquired with project funds pursuant to this Contract, following the termination of this Contract, so long as CONTRACTOR demonstrates that such property will continue to be used by CONTRACTOR for purposes consistent with the mission and statutory authority of COMMISSION.

12. **STATUS AS INDEPENDENT CONTRACTOR**

CONTRACTOR is, and shall at all times remain as to COMMISSION, a wholly independent contractor. CONTRACTOR shall have no power to incur any debt, obligation, or liability on behalf of COMMISSION. Neither COMMISSION nor any of its agents shall have control over the conduct of CONTRACTOR or any of CONTRACTOR'S employees, except as set forth in this Contract. CONTRACTOR shall not, at any time, or in any manner, represent that it or any of its officers, agents or employees are in any manner employees of COMMISSION.

13. **CONFLICT OF INTEREST**

It shall be the responsibility of CONTRACTOR to abide by conflict of interest laws and regulations applicable to the CONTRACTOR under California law. CONTRACTOR acknowledges that he/she/it is acting as public official pursuant to this Contract and shall therefore avoid undertaking any activity or accepting any payment, employment or gift from any third party that could create a legal conflict of interest or the appearance of any such conflict. A conflict of interest exists when one has the opportunity to advance or protect one's own interest or private interest of others, with whom one has a relationship, in a way that is detrimental to the interest, or potentially harmful for the integrity or fundamental mission of the Commission. CONTRACTOR shall maintain the confidentiality of any confidential information obtained from the COMMISSION during this Contract and shall not use such information for personal or commercial gain outside this Contract. By agreeing to this Contract and accepting financial compensation for services rendered hereunder, CONTRACTOR agrees that he/she/it may not subsequently solicit or accept employment or compensation under any program, grant or service that results from or arises out of the **Oral Health Community Development Initiative**. During the term of this Contract and for one year thereafter, CONTRACTOR shall not knowingly solicit or accept employment and/or compensation from any COMMISSION collaborator or CONTRACTOR without the prior written consent of COMMISSION.

14. **PUBLIC STATEMENTS AND MATERIALS**

CONTRACTOR shall indicate prominently in any and all press release(s), statement to the public, electronic media or printed materials (including brochures, newsletters, reports, etc.) related to the programs and services provided pursuant to this Contract that such programs or services are funded by COMMISSION.

14.1. Proprietary Rights

If applicable, COMMISSION and CONTRACTOR agree that all intellectual property, such as software, materials, published documents or reports, data and information developed in connection with this Contract shall become the sole property of the COMMISSION upon completion or termination of contract, unless otherwise determined by the COMMISSION. CONTRACTOR may retain a copy all working papers prepared by CONTRACTOR. During and subsequent to the term of this Contract, COMMISSION shall have the right to make copies and use the working

papers and the information contained therein. CONTRACTOR shall have the right to consent to and participate financially in any licensing or sales agreement relating to software or equipment developed at the discretion of the COMMISSION. All published documents arising out of the performance of this Contract shall include, in a prominent location, the statement "Funded without endorsement by First 5 LA."

15. **INSURANCE**

15.1. Without limiting CONTRACTOR'S duty to indemnify COMMISSION during the term of this Contract, CONTRACTOR shall provide and maintain at its own expense the following programs of insurance set forth in Section 15.4 of this contract throughout the term of this Contract. Such programs and evidence of insurance shall be issued by insurers admitted to conduct business in the State of California, with a minimum A.M. Best's Insurance rating of A:VII unless otherwise approved in writing as satisfactory to the COMMISSION. Certificates or other evidence of insurance coverage and copy(ies) of additional insured endorsement(s) and/or loss payee endorsement(s), as applicable, shall be delivered to COMMISSION at the address specified in Section 30.3 **prior to the commencement of work** under this Contract. Each policy of insurance shall provide that coverage will not be materially modified, terminated, or non-renewed except after thirty (30) days prior written notice has been given to the COMMISSION subject to the limitations set forth below.

15.2. Notwithstanding any other provisions of this Contract, failure by CONTRACTOR to maintain the required insurance shall constitute a breach of this Contract and COMMISSION may immediately terminate or suspend this Contract as a result, or secure alternate insurance at CONTRACTOR'S expense. CONTRACTOR shall ensure that subcontractors comply with all insurance requirements described in this Section.

15.3. It is specifically agreed by the Parties that this Section 15 shall supersede all other sections and provisions of this Contract to the extent that any other section or provision conflicts with or impairs this Section 16. Nothing in this Contract is to be interpreted as limiting the application of insurance coverage as required herein. All insurance coverage and limits provided by CONTRACTOR and its subcontractors shall apply to the full extent of the available and applicable policies. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits, or other requirements, or a waiver of any coverage normally provided by any insurance policy. Specific reference to a given coverage feature is for purpose of clarification only and is not intended by any party to be all inclusive, or to the exclusion of any other coverage, or a waiver of any type.

15.4. Liability

CONTRACTOR and subcontractors shall provide policies of liability insurance of at least the following coverage and limits:

15.4.1. Commercial General Liability Insurance

Such insurance shall be written on a commercial general liability form with minimum limits of one million dollars ($1,000,000) each occurrence and two million dollars ($2,000,000) in the aggregate.

Coverage may be on an occurrence or claims-made basis. If written on a Claims Made form, the CONTRACTOR shall purchase an extended two-year reporting period commencing upon termination or cancellation of the insurance policy.

CONTRACTOR'S liability insurance shall be primary and non-contributory. All coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion on any policy.

"**Los Angeles County Children and Families First – Proposition 10 Commission**" (or if abbreviated, "**LA Cty Prop 10 Commn.**"), its officers, agents, consultants and employees are to be included as additional insured with regard to liability and defense of claims arising from the operations and uses performed by or on behalf of the CONTRACTOR.

15.4.2. Workers' Compensation Insurance

Such insurance shall be in an amount and form to meet all applicable requirements of the Labor Code of the State of California.

15.4.3. Professional Liability Insurance

Such insurance shall cover liability arising from any error, omission, or negligent or wrongful act of CONTRACTOR or its employees, with a limit of liability of not less than one million dollars ($1,000,000) per medical incident for medical malpractice liability, or of not less than one million dollars ($1,000,000) per occurrence for all other types of professional liability. Only CONTRACTORS, who have a professional liability exposure relating to the funds awarded by this Contract, are required to provide evidence of Professional Liability coverage.

15.4.4. Business Auto Liability

Primary coverage shall be provided on ISA Business Auto Coverage forms for all owned, non-owned, and hired vehicles with a combined single limit of not less than one million dollars ($1,000,000) per accident.

Automobile physical damage shall be required on an actual cash value basis for comprehensive and collision coverage with maximum deductibles of $1,000 each accident for those vehicles funded by this Contract and for which the COMMISSION has an ownership interest. The COMMISSION shall be named as Loss Payee, as their interest may appear.

15.4.5. Crime Coverage Insurance

Such insurance, if applicable, shall be in an amount up to the amount of the Contract, but not less than twenty-five thousand dollars ($25,000) covering against loss of money, securities, or other property referred to hereunder which may result from employee dishonesty, forgery or alteration, theft, disappearance and destruction, computer fraud, burglary and robbery. Such insurance shall have COMMISSION as Loss Payee. Crime insurance may be included with Property Insurance unless Property Insurance is not required by this Contract.

15.4.6. Property Coverage

Such insurance shall be required only in the event the Contract is providing funds for real property or personal property, including equipment and has an ownership interest in that property. Coverage on real and personal property shall be on a replacement cost basis, written on a Special Causes of Loss form including employee dishonesty coverage, with a

deductible no greater than $1,000 each occurrence. COMMISSION shall be named as Loss Payee, as their interest may appear.

15.5. Evidence of Self Insurance

Legally adequate evidence of self-insurance meeting the approval of the COMMISSION'S Legal Counsel may be substituted for any coverage required above. CONTRACTOR must submit a copy of the self-insured certificate issued by the State of California.

16. INDEMNIFICATION

16.1. To the maximum extent permitted by law, CONTRACTOR shall defend, indemnify and hold harmless COMMISSION, its officers, officials, employees, agents and volunteers, from any losses, injuries, damages, claims, lawsuits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, actual attorneys fees, court costs, interest, defense costs including expert witness fees and any other costs or expenses of any kind whatsoever incurred in relation to, as a consequence of, or arising out of or in any way attributable in whole or in part to CONTRACTOR'S performance of this Contract including, without limitation, matters of active or passive negligence on the part of COMMISSION subject to the limitations set forth below.

16.2. The indemnity provisions set forth in this Section 16 are intended by the Parties to be interpreted and construed to provide the fullest protection possible under the law to the COMMISSION. As this Contract is limited to COMMISSION'S agreement to fund the activities of CONTRACTOR, CONTRACTOR acknowledges that COMMISSION would not award this Contract in the absence of CONTRACTOR'S commitment to indemnify and protect COMMISSION as set forth herein.

16.3. Without affecting the rights of COMMISSION under any provision of this Contract or this Section, CONTRACTOR shall not be required to indemnify or hold harmless COMMISSION for liability attributable to the sole fault of COMMISSION, provided such sole fault is determined by agreement between the Parties or the findings of a court of competent jurisdiction. This exception shall apply only in those instances where COMMISSION is shown to have been solely at fault and not in instances where CONTRACTOR is solely or partially at fault or in instances where COMMISSION'S fault accounts for only a percentage of the total liability. In such cases, the obligation of CONTRACTOR to indemnify and defend shall be all-inclusive. CONTRACTOR SPECIFICALLY ACKNOWLEDGES THAT ITS OBLIGATION TO INDEMNIFY AND DEFEND EXTENDS TO LIABILITY ATTRIBUTABLE TO COMMISSION, IF THAT LIABILITY IS LESS THAN THE SOLE FAULT OF COMMISSION.

16.4. The CONTRACTOR shall be solely responsible for resolution of any and all disputes arising out of or related to the CONTRACTOR'S contracts for construction of the Project, including, but not limited to, bid disputes and payment disputes with the CONTRACTOR'S contractors and subcontractors and shall provide the appropriate releases (as set forth in Title 15 of the California Civil Code) as may be requested by the COMMISSION.

17. CONFIDENTIALITY

17.1. Except as otherwise provided herein, CONTRACTOR and COMMISSION shall maintain the confidentiality of each other's records, including, but not limited to, records related to this Contract and client records, in accordance with all applicable federal, state and local laws, regulations, ordinances and directives regarding confidentiality to the extent permitted by law. CONTRACTOR and COMMISSION shall inform all of their respective employees and agents providing services hereunder of the confidentiality provisions of this Contract.

17.2. CONTRACTOR shall employ reasonable procedures to assure that the details of the advertising campaigns adhere to laws on confidentiality.

18. ASSIGNMENTS AND SUBCONTRACTS

18.1. Any duties or obligations required to be performed by CONTRACTOR pursuant to this Contract may be carried out under subcontracts. Subcontractors and assigns disclosed and listed in Exhibit A are hereby approved by COMMISSION. No subcontract shall alter in any way any legal responsibility of CONTRACTOR to COMMISSION.

18.2. Except for subcontractors listed in Scope of Work (Exhibit A) and Budget Forms (Exhibit B), CONTRACTOR may not delegate its duties or obligations, nor assign its rights hereunder, either in whole or in part, without the prior written consent of COMMISSION, or its designee. In addition, for subcontractors not listed in Scope of Work (Exhibit A) and Budget Forms (Exhibit B), CONTRACTOR shall submit any subcontracts to COMMISSION for written approval prior to subcontractor performing any work thereunder. Any such attempt at delegation or assignment without COMMISSION'S prior written consent shall be null and void and shall constitute a breach of the terms of this Contract. In the event of such a breach, this Contract may be terminated.

18.3. All construction contracts related in any way to the Project shall be let by competitive bid procedures that assure award of such contracts to the lowest responsible bidders. The CONTRACTOR does not need approval from the COMMISSION to initiate the bidding process. The CONTRACTOR shall adhere to any applicable state or local ordinance for competitive bidding and applicable labor laws. The CONTRACTOR shall not award a contract without prior review by the COMMISSION'S Water Design Consultant and without prior written approval from the COMMISSION. A full explanation must be provided if the CONTRACTOR is proposing to award a contract to anyone other than the apparent low bidder.

18.4. CONTRACTOR must submit a memorandum of understanding for each subcontractor listed in Scope of Work and Exhibit B.

19. COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS, AND PERMIT REGULATIONS

19.1. CONTRACTOR and its subcontractors shall at all times conform to and abide by all applicable federal, state and local laws, local ordinances, codes, regulations, permits and standards of licensing and accrediting authorities, specifically including, but not limited to, environmental, procurements, safety laws, and rules, insofar as the same or any of them are applicable.

19.2. CONTRACTOR is required to comply with Section 3410 of the Public Contracts Code which requires preference to United States-grown produce and United States-processed foods when there is a choice and it is economically feasible to do so.

19.3. CONTRACTOR is required to comply with Chapter 3.5 Section 22150 Part 3 - Division 2 of the Public Contracts Code which requires the purchase of recycled products, instead of non-recycled products, whenever recycled products are available at the same or lesser total cost than non-recycled items. CONTRACTOR may give preference to suppliers of recycled products and may define the amount of this preference.

19.4. Failure by CONTRACTOR to comply with such laws and regulations shall be a material breach of this Contract and may result in termination of this Contract.

20. COMPLIANCE WITH CIVIL RIGHTS LAWS

CONTRACTOR hereby assures that it will comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title IX of the Education Amendments of 1973, where applicable, the Americans With Disabilities Act, and Title 43, Part 17 of the Code of Federal Regulations Subparts A and B, to the end that no persons shall on the grounds of race, creed, color, national origin, political affiliation, marital status, sex, age or disability be subjected to discrimination with respect to any programs or services provided by CONTRACTOR pursuant to this Contract.

In accordance with Section 4.32.010 et seq., Los Angeles County Code, CONTRACTOR certifies and agrees that all persons employed by such organization, its satellites, subsidiaries, or holding companies are and will be treated equally by the firm without the regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

21. NON-DISCRIMINATION IN EMPLOYMENT

21.1. CONTRACTOR shall take affirmative steps to employ qualified applicants and hereby certifies and agrees that all employees are and will be treated equally during employment without regard to or because of race, religion, color, national origin, political affiliation, marital status, sex, age, or handicap in compliance with all applicable Federal and State non-discrimination laws and regulations. This Section applies to, but is not limited to, the following: employment, promotion, demotion, transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeships.

21.2. CONTRACTOR shall treat its subcontractors, bidders, or vendors without regard to or because of race, religion, color, national origin, political affiliation, marital status, sex, age or handicap.

21.3. Upon request by COMMISSION, CONTRACTOR shall provide access for COMMISSION'S representatives to inspect CONTRACTOR'S employment records to the extent such records relate to the project, during regular business hours in order to verify compliance with the provisions of this Section.

22. CRIMINAL CLEARANCE

22.1. As applicable, for the safety and welfare of the children to be served under this Contract, CONTRACTOR agrees, as permitted by law, to ascertain conviction records for all current and prospective employees, independent contractors, volunteers or subcontractors who come in contact with children in the course of their work, volunteer activity or performance of any programs or services pursuant to this Contract, and shall maintain such records in the file of each such person.

22.2. Within thirty (30) days after such information becomes known to CONTRACTOR, CONTRACTOR shall notify COMMISSION of any arrest and/or subsequent conviction, other than for minor traffic offenses, of any employees, independent contractors, volunteers or subcontractors who come in contact with children while providing services under this Contract.

22.3. CONTRACTOR agrees not to engage or continue to engage the services of any person convicted of any crime involving moral turpitude or harm to children, including, but not limited to, the offenses specified in Health and Safety Code Section 11590 (persons required to register as controlled substance offenders) and those crimes defined in the following Penal Code sections or any future Penal Code sections which address these crimes:

SECTION	TITLE
261.5	Unlawful sexual intercourse with a minor.
272	Causing, encouraging or contributing to delinquency of person under age 18.
273a	Willful harm or injury to child or child endangerment
273ab	Assault resulting in death of child under 8 years of age.
273d	Infliction of corporal punishment or injury on child resulting in traumatic condition
273g	Degrading, lewd, immoral or vicious practices in the presence of children.
286	Sodomy.
288	Lewd or lascivious acts upon the body of a child under age 14.
288a	Oral Copulation
314	Indecent exposure
647	Disorderly conduct, including lewd conduct, prostitution, loitering, and intoxication in a public place.
647.6	Annoyance of or molesting a child under age 18.

23. **AUTHORIZATION WARRANTY**

CONTRACTOR represents and warrants that the signatories to this Contract are fully authorized to obligate CONTRACTOR hereunder and that all corporate acts necessary to the execution of the Agreement have been accomplished.

24. **CONTRACTOR RESPONSIBILITY AND DEBARMENT**

24.1. CONTRACTOR is hereby notified that if COMMISSION acquires information concerning the performance of CONTRACTOR on this or other programs which indicates that CONTRACTOR is unable or unfit to properly perform hereunder, COMMISSION may, in addition to other remedies provided in this Contract, debar CONTRACTOR from bidding on COMMISSION proposals for a specified period of time and terminate any or all existing Agreements that CONTRACTOR may have with COMMISSION.

24.2. COMMISSION may debar a CONTRACTOR if it finds in its reasonable discretion, that CONTRACTOR has done any of the following, including but not limited to: (1) violated any significant terms or conditions of this Contract; (2) committed any act or omission which negatively reflects on CONTRACTOR'S quality, fitness or capacity to perform this Contract with COMMISSION or any other public entity, or engaged in a pattern or practice which negatively reflects on the same; (3) committed an act or offense which indicates a lack of business integrity or business dishonesty; or (4) made or submitted a false claim against COMMISSION or any other public entity.

24.3. If there is evidence that CONTRACTOR may be subjected to debarment, COMMISSION will notify CONTRACTOR in writing of the evidence that is the basis for the proposed debarment. COMMISSION will advise CONTRACTOR of the scheduled date for a debarment hearing before the COMMISSION Hearing Board or, at COMMISSION'S discretion, a Hearing Officer.

24.4. The COMMISSION Hearing Board or Hearing Officer will conduct a hearing in which evidence on the proposed debarment shall be presented. CONTRACTOR and/or CONTRACTOR'S representative(s) shall be given an opportunity to submit evidence at that hearing. After the hearing, the COMMISSION Hearing Board or Hearing Officer shall prepare a proposed decision, which shall contain a recommendation regarding whether CONTRACTOR should be suspended, and, if so, the appropriate length of time of the suspension. If CONTRACTOR fails to avail itself of the opportunity to submit evidence to the COMMISSION Hearing Board, CONTRACTOR may be deemed to have waived all rights of appeal.

24.5. Debarment is a breach of this Contract, and COMMISSION will terminate this Contract.

25. NON-COMPLIANCE

Non-compliance is defined as: 1) failure of a CONTRACTOR to comply with the terms of this contract; 2) failure to effectively implement and manage the COMMISSION funded program/project; and/or 3) failure to comply with COMMISSION policies and procedures.

COMMISSION has the authority to impose sanctions for a CONTRACTOR'S non-compliance, including poor program performance and/or failure to comply with the conditions on a prescribed corrective action plan. The sanctions vary in severity and may be of a progressive nature and may include, without limitation, increased monitoring and auditing requirements, budget reduction, modification of timelines, and termination of contract with debarment from future funding opportunities. CONTRACTOR will refer to the COMMISSION Guidelines for Grant/Contract Compliance for more information on this Section.

26. INTERPRETATION AND ENFORCEMENT OF AGREEMENT

26.1. Validity

The invalidity, unenforceability or illegality of any provision, paragraph, sentence, word, phrase or clause of this Contract shall not render the other provisions thereof invalid.

26.2. Governing Laws, Jurisdiction and Venue

This Contract shall be construed in accordance with and governed by the laws of the State of California. CONTRACTOR agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the county of Los Angeles.

26.3. Waiver

Any waiver by COMMISSION of any breach of any of the provisions, covenants, terms, and conditions herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other provision, covenant, term, or condition herein contained, nor shall failure on the part of COMMISSION to require exact, full and complete compliance with any of the provisions, covenants, conditions, terms and conditions herein contained be construed as in any manner changing the terms of the Agreement or preventing COMMISSION from enforcing the provisions of this Contract.

26.4. Caption and Section Headings

Captions and section headings used in this Contract are for convenience only and are not a part of this Contract and shall not be used in construing this Contract.

26.5. Attorneys Fees and Costs

In the event that either party hereto is forced to bring legal action to enforce the terms of this Contract, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs of suit.

27. INFORMATION TECHNOLOGY REQUIREMENTS

CONTRACTOR will be responsible for coordinating with COMMISSION'S Information Technology (IT) Department regarding the design, development, structure and implementation of the IT components, including all databases, documents and spreadsheets, applicable to its program. The following IT specifications are to be applied, as appropriate, in relation to the scope of CONTRACTOR'S program:

A. Hardware and Software compatibility with industry hardware, software, & security standards to allow adequate compatibility with the COMMISSION'S infrastructure.
B. Open Data Base Connectivity (ODBC) compliant for data collection and dissemination purposes.
C. Ability to collect information at the client-level, as necessary.
D. Compatibility and ability to aggregate information in multiple ways: by initiatives, geographic boundaries, service types, program outcomes, and COMMISSION outcomes.
E. Ability to export to and import the data collected.
F. CONTRACTOR will be required to obtain a digital certificate to submit documentation to COMMISSION electronically for recording and processing by COMMISSION staff. Digital certificate must be obtained from approved Certificate Authority (CA) vendor providing a Public Key Infrastructure (PKI). Digital certificate must be maintained by CONTRACTOR throughout contract period.

28. TERMINATION

28.1. In the case of a material breach of this Contract, including, but not limited to, CONTRACTOR'S failure to provide the programs and services detailed in the Scope of Work in a satisfactory manner, and the mismanagement or misuse of project funds by CONTRACTOR or its employees, subcontractors or agent, COMMISSION may terminate this Contract and project funding pursuant to this Contract. Termination of services provided by CONTRACTOR pursuant to this Contract shall be effected by delivery to CONTRACTOR of a seven (7) day advance written notice of termination specifying the extent to which performance of services under this Contract is terminated and the date upon which such termination becomes effective.

28.2. After receipt of a notice of termination and except as otherwise directed by COMMISSION, CONTRACTOR shall:

- To the extent possible, continue to perform the services required under this Contract until the effective date of termination.
- Cease provision of services under this Contract on the effective date of termination.

28.3. After receipt of a notice of termination, CONTRACTOR shall submit to COMMISSION, in the form and with the certification as may be prescribed by COMMISSION, an invoice for expenses incurred until the effective date of termination. Such claim and invoice shall be submitted promptly. COMMISSION will not accept any such invoice submitted later than three (3) months from the effective date of termination. Upon failure of CONTRACTOR to submit the invoice within the time allowed, COMMISSION may determine, on the basis of information available to COMMISSION, the amount, if any, due to CONTRACTOR with respect to the termination, and such determination shall be final. After such determination is made, COMMISSION shall pay

CONTRACTOR the amount so determined as full and complete satisfaction of all amounts due CONTRACTOR under this Contract for any terminated services.

29. LIMITATION OF COMMISSION OBLIGATIONS DUE TO LACK OF FUNDS

COMMISSION'S payment obligations pursuant to this Contract are payable solely from funds appropriated by COMMISSION for the purpose of this Contract. CONTRACTOR shall have no recourse to any other funds allocated to or by COMMISSION. CONTRACTOR acknowledges that the funding for this Contract is limited to the term of the Agreement only, with no future funding promised or guaranteed.

The COMMISSION and the CONTRACTOR expressly agree that full funding of the Program over the entire Term of Contract is contingent on the continuing collection of tax revenues pursuant to Proposition 10 and the continuing allocation of Los Angeles County's share of those revenues to the COMMISSION. In the event of any repeal, amendment, interpretation, or invalidation of any provision of Proposition 10 that has the effect of reducing or eliminating the COMMISSION'S receipt of Proposition 10 tax revenues, or any other unexpected material decline in the COMMISSION'S revenues, the COMMISSION may reduce or eliminate funding for subsequent contract years at a level that is generally proportionate to the reduction.

30. NOTICES

30.1. Any notices, reports, or invoices required by this Contract shall be deemed received on: (a) the day of delivery if delivered by hand or overnight courier service during CONTRACTOR'S and COMMISSION'S regular business hours or by facsimile before or during CONTRACTOR'S regular business hours; or (b) on the third business day following deposit in the United States mail, postage prepaid, addressed as set forth below, or to such other addresses as the Parties may, from time to time, designate in writing.

30.2. Notices to CONTRACTOR

Notices will be sent to CONTRACTOR addressed as follows:

Program Contact Person	Telephone	E-mail
David Ringland	310-618-3073	**Dringland@torrnet.com**
Fiscal Contact Person	Telephone	E-mail
Chuck Schaich	310-681-6221	**Cschaich@torrnet.com**

Agency Name	City of Torrance – Municipal Water
Agency Address	20500 Madrona Avenue
	Torrance, CA 90503

30.3. Notices to COMMISSION

Notices sent to COMMISSION shall be addressed as follows:

FIRST 5 LA
Attention: Evelyn V. Martinez, Executive Director
750 North Alameda Street, Suite 300
Los Angeles, California 90012

With a copy of any Agreement changes or modifications to:

Craig A. Steele
Richards, Watson & Gershon
355 S. Grand Avenue, 40th Floor
Los Angeles, California 90071

30.4. Notice of Delays

When either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of any provisions of this Contract, that party shall, within three (3) business days, give written notice, including relevant information, to the other party.

30.5. Reports

Agreement documents and reports should be addressed and mailed to the appropriate COMMISSION Program Officer at the address listed above.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

31. **AGREEMENT SIGNATURES**

In WITNESS WHEREOF, this Contract has been executed as of the date set forth above by the respective duly authorized signatories below. By signing below, the authorized signatory for the CONTRACTOR represents that he or she has read and agrees to all the terms of this Contract.

CONTRACTOR:
CITY OF TORRANCE
A Municipal Corporation
20500 Madrona Avenue
Torrance, CA 90503

Agreed & Accepted:

FRANK SCOTTO, MAYOR — DATE: 02-11-2009

ATTEST:

SUE HERBERS, CITY CLERK — DATE: 02-11-2009

APPROVED AS TO FORM:

JOHN L. FELLOWS III, CITY ATTORNEY — DATE: 2/11/09

NOTE: IF CONTRACTOR IS A CORPORATION, TWO SIGNATURES MAY BE REQUIRED

AND

COMMISSION:
LOS ANGELES COUNTY CHILDREN AND FAMILIES FIRST - PROPOSITION 10 COMMISSION (aka FIRST 5 LA)
750 North Alameda Street, Suite 300
Los Angeles, California 90012

Approved as to form:

CRAIG A. STEELE, LEGAL COUNSEL — DATE: 2/18/09

Agreed & Accepted:

EVELYN V. MARTINEZ, EXECUTIVE DIRECTOR — DATE: 2/19/09