

**2020-2021 SUBRECIPIENT AGREEMENT  
BETWEEN THE CITY OF COSTA MESA AS GRANTEE UNDER THE  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM AND  
COMMUNITY SENIORSERV, INC.**

Date Approved: **May 19, 2020**

Amount of Grant: **Thirty-five Thousand Four Hundred Dollars (\$35,400.00)**

Subrecipient: **Community SeniorServ, Inc.**

This SUBRECIPIENT AGREEMENT (“Agreement”) is entered into as of July 1, 2020 (“Effective Date”) by and between the CITY OF COSTA MESA (“CITY”), a California municipal corporation and a grantee under the U.S. Department of Housing and Urban Development (“HUD”) Community Development Block Grant (“CDBG”) Program (Catalog of Federal Domestic Assistance Number 14-218; Grant No: B-20-MC-06-0503) and COMMUNITY SENIORSERV, INC., a nonprofit corporation (“SUBRECIPIENT”).

WHEREAS, the primary objective of the Housing and Community Development Act of 1974, 42 U.S.C. section 5301 et seq., as amended (“Act”) and the CDBG Program is the development of viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities; principally for persons of low and moderate income.

WHEREAS, CITY has applied for and received CDBG funds from HUD under the Act.

WHEREAS, pursuant to Title 24, Part 570 of the Code of Federal Regulations (24 C.F.R. 570 et seq.) (“CDBG Regulations”), CITY may engage certain organizations to assist in utilizing CDBG funds pursuant to subrecipient agreements, provided that the activities funded are eligible for funding and meet a national objective.

WHEREAS, eligible activities are set forth at 24 C.F.R. 570.201-207.

WHEREAS, each CDBG funded activity must meet one of the following national objectives: (1) benefit low-income and moderate-income persons; (2) prevent or eliminate slums or blight; or (3) meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available to meet such needs.

WHEREAS, CITY has determined that SUBRECIPIENT’s activities are eligible for funding and meet one of the national objectives.

WHEREAS, CITY desires to grant a portion of its CDBG allocation for the Fiscal Year 2020-2021 to SUBRECIPIENT for the purpose of providing congregate and home delivered meals for the elderly.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions set forth herein, the parties hereby agree as follows:

## **A. SUBRECIPIENT OBLIGATIONS.**

### **1. Scope of Services.**

- (a) Activities.** The subgranting of CDBG funds to SUBRECIPIENT shall be used to provide the specific services as described in Attachment 1 attached hereto and fully incorporated into this Agreement by this reference. Such services are summarized as follows: congregate meals at Costa Mesa Senior Center and home delivered meals. As needed, SUBRECIPIENT will make referrals to the appropriate licensing agency. In accordance with CITY requirements, SUBRECIPIENT shall ensure that at least seventy percent (70%) of SUBRECIPIENT's clients served by the CDBG funded program be in the low-income and moderate-income categories as established by HUD.
  - (b) National Objectives.** SUBRECIPIENT certifies that SUBRECIPIENT's activities will meet the national objective of benefitting low-income and moderate-income persons.
  - (c) Levels of Accomplishment – Goals and Performance Measures.** SUBRECIPIENT agrees to carry out the activities set forth in this Agreement in accordance with the goals and performance measures set forth in Attachment 1.
  - (d) Performance Monitoring.** CITY will monitor the performance of SUBRECIPIENT against the goals and performance standards set forth in Attachment 1. Substandard performance, as determined by CITY, will constitute noncompliance with this Agreement. If SUBRECIPIENT does not take action to correct such substandard performance within a reasonable period of time after being notified by CITY, CITY may initiate termination or suspension of this Agreement as set forth herein.
- 2. Non-Profit Status.** SUBRECIPIENT represents and warrants that it is a private, not-for-profit corporation, duly organized under the laws of the State of California, and whose officers are recorded in the Articles of Incorporation on file with the State of California.
- 3. Term of Agreement.** Subject to the termination provisions set forth herein, the term of this Agreement is from July 1, 2020 through June 30, 2021, except that SUBRECIPIENT shall be obligated to perform such duties as would normally extend beyond this term, including but not limited to obligations with respect to indemnification, audits, reporting, data retention/data reporting, and accounting.
- 4. Amount of Grant and Quarterly Disbursement.** The amount granted to SUBRECIPIENT shall not exceed Thirty-five thousand four hundred dollars (\$35,400.00) ("CDBG FUNDS"). SUBRECIPIENT shall expend such funds within a time period not exceeding twelve (12) consecutive months following the Effective Date of this Agreement. CITY will disburse CDBG FUNDS to SUBRECIPIENT on a quarterly basis subject to and upon receipt and approval of a complete quarterly activity report from SUBRECIPIENT.
- (a) Quarterly Reports.** SUBRECIPIENT shall cause to be prepared and submitted to CITY on or before each October 15, January 15, April 15, and July 15 of each year of this Agreement a quarterly activity report in conformity with applicable CDBG Regulations ("Quarterly Activity Report").

- (b) Invoice Submittal.** Concurrently with the submittal of each quarterly report as described in subsection 4(a) above, SUBRECIPIENT shall submit both (i) an original invoice and (ii) true copies of other receipts, agreements, or other documentation supporting and evidencing how the CDBG FUNDS have been or will be expended during the applicable quarter. Drawdowns for the payment of eligible expenses will be made against the budget categories set forth in the Program Budget in Attachment 1.

For example and by way of illustration, if SUBRECIPIENT intends to expend the applicable quarterly disbursement on staff salary, then true copies of the time card(s) or other satisfactory evidence of employment of the subject staff member with the SUBRECIPIENT shall be submitted as a part of the quarterly report.

- 5. Administrative Rules.** SUBRECIPIENT agrees to conduct all activities of the organization, whether funded in whole or in part by CDBG FUNDS from CITY, in accordance with the provisions contained in 2 C.F.R. Part 200.
- 6. Conflicts.** SUBRECIPIENT agrees that no officer, employee, agent or assignee of CITY having direct or indirect control of any CDBG monies granted to the CITY, inclusive of the subject CDBG FUNDS, shall serve as an officer of SUBRECIPIENT. Further, any conflict or potential conflict of interest of any officer of SUBRECIPIENT shall be fully disclosed in writing prior to the execution of this Agreement; or, in the event a conflict or potential conflict of interest arises after execution of this Agreement, SUBRECIPIENT shall fully disclose the conflict or potential conflict within fifteen (15) days of becoming aware of same, and said writing shall be attached and deemed fully incorporated as a part hereof.
- 7. Use of CDBG FUNDS.**
- (a) Income Prohibited.** SUBRECIPIENT agrees that it shall not use CDBG FUNDS in any manner that provides income to SUBRECIPIENT. Any earned interest income on funds generated through the use of investment of funds received from CDBG FUNDS shall be cause, at the discretion of the CITY, for recapture of such income and/or the full amount of funds originally granted to SUBRECIPIENT.
- (b) Program Income.** The use of program income by the SUBRECIPIENT shall comply with the requirements set forth at 24 C.F.R. 570.504. SUBRECIPIENT may use such income during the term of this Agreement for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such program income balances on hand. SUBRECIPIENT shall report quarterly all program income (as defined in 24 C.F.R. 570.500(a)) generated by activities carried out with CDBG FUNDS made available under this Agreement.
- (c) Unexpended Program Income.** All unexpended program income shall be returned to the CITY at the end of the term as required by 24 C.F.R. 570.503(b)(7). Any interest earned on cash advances from the United States Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the CITY.
- 8. Records and Reports.** The SUBRECIPIENT shall maintain all records required by the CDBG Regulations specified in 24 C.F.R. 570.206 that are pertinent to the activities to be funded under this Agreement and such records as may be required by CITY. Such records shall include but not be limited to the following:

- (a) Records providing a full description of each activity undertaken.
- (b) Records demonstrating that each activity undertaken meets one of the national objectives of the CDBG program.
- (c) Records required to determine the eligibility of activities.
- (d) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG FUNDS.
- (e) Records documenting compliance with the fair housing and equal opportunity components of the CDBG program.
- (f) Financial records as required by 24 C.F.R. 570.502. Such records shall contain documentation of expenses as identified in the Program Budget set forth in Attachment 1, including evidence of incurring the expense, invoice(s) for goods or services, all other invoices for which CDBG FUNDS were expended, and payment therefore.
- (g) Records necessary to document compliance with Subpart K or 24 C.F.R. Part 570.
- (h) Records demonstrating client eligibility for the services provided. Such records shall include data including but not limited to: client name, address, income level or other basis for determining eligibility, and description of service provided. If self-certification is used to verify CDBG eligibility, actual client eligibility documentation must be collected and analyzed for CDBG eligibility for a minimum of ten percent (10%) of total clients served each quarter. Such information shall be made available to CITY or its designees for review upon request.
- (i) Any such other related records as CITY may reasonably require or as required to be maintained pursuant to the CDBG Regulations.

SUBRECIPIENT shall, upon request of CITY, prepare such reports as may be required for CITY and/or SUBRECIPIENT to comply with the CDBG Regulations.

**9. Retention of Records.** All accounting records, reports, supporting documents pertaining to all costs, expenses and the CDBG FUNDS received by SUBRECIPIENT and all documents related to this Agreement shall be maintained and kept available at SUBRECIPIENT's office or place of business for the duration of the Agreement and thereafter for five (5) years after CITY submits its annual performance and evaluation report to HUD to report the activities assisted under the Agreement for the final time in conformity with the CDBG Regulations. Notwithstanding the foregoing, records which relate to (a) complaints, claims, administrative proceedings or litigation arising out of the performance of this Agreement, or (b) costs and expenses of this Agreement to which CITY or any other governmental agency takes exception, shall be retained beyond the five (5) years until complete resolution or disposition of such claims, litigation, appeals, or exceptions.

**10. Audit Requirements.** If SUBRECIPIENT is granted seven hundred fifty-thousand dollars (\$750,000.00) or more in federal funds under this Agreement, SUBRECIPIENT shall comply with and/or cause compliance with all audit requirements established by 2 C.F.R. 200.501 et seq.

**11. Uniform Administrative Requirements.** SUBRECIPIENT shall comply with applicable uniform administrative requirements as described in 24 C.F.R. 570.502.

**12. Separation of Accounts.** All CDBG FUNDS received by SUBRECIPIENT from CITY pursuant to this Agreement shall be maintained in an account in a federally insured banking or savings and loan institution with recordkeeping of such accounts maintained pursuant to applicable requirements set forth in 2 C.F.R. 200 et seq. SUBRECIPIENT is not required to maintain separate depository accounts for CDBG FUNDS; provided, however, that SUBRECIPIENT must be able to account for receipt, obligation and expenditure of CDBG FUNDS pursuant to applicable requirements of 2 C.F.R. 200.302 et seq. and any other applicable law.

**13. Compliance with Applicable Laws.** SUBRECIPIENT shall comply with all applicable federal, state and local laws, ordinances, regulations, and permits, including but not limited to all CDBG Regulations relating to financial and contractual procedures, and 2 C.F.R. 200 et seq. and as set forth in 24 C.F.R. 570.502(b), which are on file in the City of Costa Mesa, 77 Fair Drive, Costa Mesa, California 92626, and are fully incorporated herein by reference. If applicable, SUBRECIPIENT shall further comply with the requirements of Part 570 of Title 24 of the Code of Federal Regulations, including subpart K of Part 570, except that SUBRECIPIENT does not assume CITY's environmental responsibilities described in 24 C.F.R. 570.604 or CITY's responsibility for initiating the review process under 24 C.F.R. Part 52.

(a) SUBRECIPIENT shall maintain all presently required permits and shall secure any new permits required by authorities herein with jurisdiction over the work, project, or services provided by SUBRECIPIENT with the CDBG FUNDS.

(b) SUBRECIPIENT shall ensure that the requirements of the National Environmental Policy Act and California Environmental Quality Act are met for any permits, discretionary approvals, or other entitlement required to carry out the terms of this Agreement.

**14. Non-Discrimination; Civil Rights Compliance.**

(a) **Compliance.** SUBRECIPIENT shall comply with the Unruh Civil Rights Act, and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

(b) **No Discrimination in Any Program or Activity.** In the performance of this Agreement, SUBRECIPIENT shall not under any program or activity funded in whole or in part with CDBG FUNDS on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation:

(i) Subject an individual to unlawful discrimination.

- (ii) Deny any facilities, services, financial aid or other benefits provided under the program or activity.
  - (iii) Provide any facilities, services, financial aid or other benefits that are different or are provided in a different form from that provided to others under the program or activity.
  - (iv) Segregate or separate treatment in any facility in, or in any matter or process related to receipt of any service or benefit under the program or activity.
  - (v) Restrict in any way access to, or in the enjoyment of any advantage or privilege enjoyed by others in connection with facilities, services, financial aid or other benefits under the program or activity.
  - (vi) Treat an individual differently from others in determining whether the individual satisfies any admission, enrollment, eligibility, membership, or other requirement or condition that the individual must meet in order to be provided any facilities, services or other benefit provided under the program or activity.
  - (vii) Deny an opportunity to participate in a program or activity as an employee.
- (c) **Non-Discrimination in Administration of Services.** SUBRECIPIENT may not utilize criteria or methods of administration which have the effect of subjecting individuals to discrimination on the basis of race, color, national origin, religion, or sex, or have the effect of defeating or substantially impairing accomplishment of the objectives of the program or activity with respect to individuals of a particular race, color, national origin, religion, or sex.
- (d) **Non-Discrimination in Site Selection.** SUBRECIPIENT, in determining the site or location of housing or facilities provided in whole or in part with CDBG FUNDS, may not make selections of such site or location which will have the effect of excluding individuals from, denying them the benefits of, or subjecting them to discrimination on the grounds of race, color, national origin, religion, or sex, or which have the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of the Civil Rights Act of 1964 and amendments thereto.
- (e) **Overcoming Effects of Prior Discrimination.** If SUBRECIPIENT has previously discriminated against persons on the grounds of race, color, national origin, religion, or sex, SUBRECIPIENT must take affirmative action to overcome the effects of prior discrimination, as and pursuant to applicable requirements of the CDBG Regulations and other applicable federal laws and regulations.
- (i) Even in the absence of prior discrimination, SUBRECIPIENT should take affirmative action to overcome the effects of conditions which would otherwise result in limiting participation by persons of a particular race, color, national origin, religion or sex. Where previous discriminatory practice or usage tends, on the grounds of race, color, national origin, religion, or sex, to exclude individuals from participation in, to deny them the benefits of, or to subject them to discrimination under any program or activity to which CDBG funding applies, SUBRECIPIENT shall take reasonable action to remove or overcome the consequences of the prior discriminatory practice or usage, and to accomplish the purpose of the Civil Rights Act of 1964.

- (ii) SUBRECIPIENT shall not be prohibited by this part from taking any eligible action to ameliorate an imbalance in services or facilities provided to any geographic area or specific group of persons within its jurisdiction where the purpose of such action is to overcome prior discriminatory practice or usage.
- (f) **Exceptions.** Notwithstanding the foregoing non-discrimination provisions, nothing contained herein shall be construed to prohibit SUBRECIPIENT from maintaining or constructing separate living facilities or restroom facilities for the different sexes. Furthermore, selectivity on the basis of sex is not prohibited when only a member of the same sex can properly perform institutional or custodial services for the recipients of the services.
- (g) **Non-Discrimination in Employment.** SUBRECIPIENT shall comply with 24 C.F.R. 570.607, including the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders set forth therein.
  - (i) SUBRECIPIENT shall, in all solicitations or advertisements for employees placed by or on behalf of SUBRECIPIENT, state that SUBRECIPIENT is an equal opportunity employer.
  - (ii) SUBRECIPIENT shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by CITY's contracting officers advising the labor union or workers' representative of SUBRECIPIENT commitments under Section 202 of Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notices in conspicuous places available to employees and applicants for employment.
- (h) SUBRECIPIENT shall include the provisions of this Section 14 (Non-Discrimination; Civil Rights Compliance) in every subcontract or purchase order unless exempted by rules, regulations, or order of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246, as amended, so that such provisions will be binding upon each subcontractor or vendor.
- 15. Ineligibility of SUBRECIPIENT or Contractors.** SUBRECIPIENT shall not use CDBG FUNDS directly or indirectly in its operations or to employ, award contracts to, or otherwise engage the services of, or fund any contractor during any period of debarment, suspension, or placement in ineligibility status of the SUBRECIPIENT or such contractor under the provisions of the CDBG Regulations.
- 16. Conflict of Interest in Procurement.** SUBRECIPIENT shall comply with all applicable conflict of interest provisions set forth in 2 C.F.R. Part 200 and 24 C.F.R. 570.611 in the procurement of supplies, equipment, construction, and services by SUBRECIPIENT.
- 17. Condition for Religious Organization.** SUBRECIPIENT shall comply with all applicable conditions prescribed by HUD for the use of CDBG FUNDS by religious organizations if SUBRECIPIENT is a religious organization.
- 18. Termination of Agreement.**
  - (a) **Termination without Cause.** In accordance with 2 C.F.R. 200.339, this Agreement may be terminated for convenience by CITY or SUBRECIPIENT, in whole or in part, by providing

thirty (30) days written notice setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, CITY determines that the remaining portion of the award will not accomplish the purpose for which the award was made, CITY may terminate the award in its entirety.

**(b) Termination for Cause.** In accordance with 2 C.F.R. 200.338, CITY may suspend or terminate this Agreement if SUBRECIPIENT materially fails to comply with any terms of this Agreement, which include, but are not limited to, the following:

- (i)** Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time.
- (ii)** Failure, for any reason, of SUBRECIPIENT to fulfill in a timely and proper manner its obligations under this Agreement.
- (iii)** Ineffective or improper use of funds provided under this Agreement.
- (iv)** Submission by SUBRECIPIENT to CITY reports that are incorrect or incomplete in any material respect.

**(c) Repayment of Funds by SUBRECIPIENT.** In the event this Agreement is terminated, as provided in this section, SUBRECIPIENT shall immediately return to CITY any and all unexpended and unencumbered CDBG FUNDS. Further, SUBRECIPIENT shall comply with the provisions of the section of this Agreement relating to Reversion of Assets.

**(d) Additional Payment after Notice of Termination at Discretion of CITY.**

In the event of early termination of the Agreement by either party without cause, at CITY's sole discretion, SUBRECIPIENT may be compensated for all services rendered through the date of notice of termination and necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously eligible for reimbursement, to the extent that CDBG funds are available from HUD.

In the event of early termination of the Agreement by CITY for cause (except when due to the non-performance or breach by SUBRECIPIENT), at CITY's sole discretion, SUBRECIPIENT may be compensated for all services rendered through the date of termination and necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously eligible for reimbursement, to the extent that CDBG funds are available from HUD.

**19. Defaults; Remedies.** If either party materially fails to comply with any term of this Agreement, said noncompliance shall be considered a breach or default hereunder and a basis for termination for cause as provided herein.

**(a) Enforcement by CITY Due to Default by SUBRECIPIENT.** In the event of default by SUBRECIPIENT, in addition to any other remedies available at law or in equity, CITY may take one or more of the actions provided under CDBG Regulations, including, but not limited to, 2 C.F.R. 200.338 relating to enforcement for breach of this Agreement.



- (i) The remedies available to the CITY under 2 C.F.R. 200.338 include, without limitation, temporarily withholding cash payments, disallowing non-compliant costs, wholly or partly suspending or terminating the award, and withholding future awards.
- (ii) If the CITY finds that SUBRECIPIENT has violated a term or condition of this Agreement, CITY, in its sole discretion, may require the SUBRECIPIENT to:
  - (1) Repay all monies received from the CITY under this Agreement; and/or
  - (2) Transfer possession of all materials and equipment purchased with grant money to the CITY.
- (b) **Recapture.** SUBRECIPIENT shall have the affirmative obligation to repay, and CITY shall have the affirmative right (but not the obligation) to recapture from SUBRECIPIENT, all (or any portion of) CDBG FUNDS disbursed to SUBRECIPIENT hereunder in the event of SUBRECIPIENT's default hereunder or in the event SUBRECIPIENT refuses to accept or fails to comply with any conditions which may subsequently be imposed by HUD for the operation of the CDBG Program.

## **20. Reversion of Assets.**

- (a) **Unencumbered or Unexpended Funds.** Upon the termination or expiration of the term of this Agreement, SUBRECIPIENT shall transfer to CITY any unexpended and unencumbered CDBG FUNDS on hand at the time of such termination or expiration and any accounts receivable attributable to the use of subject funds.
- (b) **Real or Personal Property Assets.** Any real property or moveable or immovable personal property under SUBRECIPIENT's control or ownership that is acquired or improved in whole or in part with CDBG FUNDS disbursed under this Agreement, the original cost of which exceeds five thousand dollars (\$5,000.00), shall either be, at the election of CITY: (1) used by SUBRECIPIENT for the eligible program services meeting the purposes of the CDBG Program for a period of five (5) years after termination or expiration of this Agreement; or (2) disposed of and proceeds paid to CITY in a manner that results in CITY being reimbursed in the amount of the current fair market value (assuming depreciation in accordance with customary business practices) of the real or personal property less any portion of the current value attributable to SUBRECIPIENT's out of pocket expenditures using non-CDBG Program funds for acquisition of, or improvement to, such real or personal property and less any direct and reasonable costs of disposition, including a reasonable and customary broker's fees incurred in listing and completion of sale of such asset.
  - (i) In furtherance of the foregoing, if CITY selects continued use of the capital asset, then SUBRECIPIENT hereby agrees that it shall be subject to an ongoing operating and use covenant relating to the subject real or personal property. The foregoing covenant shall survive the termination or expiration of this Agreement and shall be actionable at law or in equity by CITY against SUBRECIPIENT and its successors in interest.
  - (ii) In the event CITY selects disposition of the subject real or personal property, then SUBRECIPIENT shall exercise due diligence to dispose of such property in conformity with applicable laws and regulations and in accordance with customary business practices.

The net proceeds of such disposition shall be disbursed directly to and be payable to CITY upon the close of the applicable disposition transaction, such as close of escrow for the sale of real property, transfer of a motor vehicle "pink slip" in accordance with applicable California Vehicle Code requirements, or completion of sale of personal property by bill of sale in accordance with Uniform Commercial Code (UCC) requirements.

- 21. Independent Contractor.** SUBRECIPIENT is and shall be acting at all times as an independent contractor and not as an employee or agent of CITY. Neither CITY nor any of its employees shall have any control over the conduct of SUBRECIPIENT, its agents or employees, except as set forth in this Agreement.
- 22. Licensing.** SUBRECIPIENT shall obtain and maintain all required licenses, registrations, accreditation and inspections from all agencies governing its operations. SUBRECIPIENT shall ensure that its staff shall also obtain and maintain all required licenses, registrations, accreditations, and inspections from all agencies governing SUBRECIPIENT's operations and work hereunder.
- 23. Inspection of Records.** CITY and the United States government and/or their representatives shall have access, for purposes of monitoring, auditing, and examining SUBRECIPIENT's activities and performance, to books, records, reports, documents, and papers, and the right to examine comparable records of SUBRECIPIENT's subcontractors, bookkeepers and accountants, employees and participants in regard to said program.

  - (a) Monitoring.** CITY and the United States government and/or their representatives may schedule on-site monitoring at their discretion. Monitoring activities may also include, but are not limited to, questioning employees and participants in said program and entering any premises or any site in which any of the services or activities funded hereunder are conducted or in which any of the records of SUBRECIPIENT are kept. Nothing herein shall be construed to require access to any privileged or confidential information.
  - (b) Failure to Provide Records.** In the event SUBRECIPIENT does not make the above-referenced records available within the City of Costa Mesa, California, SUBRECIPIENT shall pay all necessary and reasonable expenses incurred by CITY in conducting any audit at the location where said records and books of account are maintained.
- 24. Assignability.** SUBRECIPIENT shall not assign or transfer any interest in this Agreement, whether by assignment, delegation or novation, without the prior written consent of CITY, except that claims for money due or to become due to SUBRECIPIENT from CITY under this Agreement may be assigned to a bank, trust company or other financial institution, or to a trustee in bankruptcy, without such approval. Any assignment delegation or novation other than as provided above shall be void and inoperative. Written notice of any request for an assignment or transfer shall be promptly furnished to CITY and CITY shall exercise reasonable diligence in reviewing and approving or disapproving such request.
- 25. Prohibition on Expending CDBG FUNDS to Obtain Other Funding.** SUBRECIPIENT shall not expend CDBG FUNDS granted hereunder to fund another service provider, to pay a contractor for services outside the scope of this Agreement, to apply for other public agencies' program funds, or to supplant another funding source, unless expressly approved in writing by CITY.

**26. Indemnification.** SUBRECIPIENT shall indemnify, defend, and hold free and harmless CITY, its elected officials, officers, employees, agents, and volunteers from and against any and all claims, demands, actions, suits or other legal proceedings brought against CITY, its elected officials, officers, employees, agents and volunteers, arising out of or relating to the performance of this Agreement by SUBRECIPIENT, its officers, employees, agents, volunteers and/or subcontractors.

SUBRECIPIENT shall further indemnify, defend, and hold harmless CITY, its elected officials, officers, employees, agents, and volunteers from and against any and all claims, demands, suits, actions or proceedings arising from or relating to any failure of SUBRECIPIENT to comply with any applicable laws or regulations.

**27. Insurance.**

- (a) SUBRECIPIENT shall furnish to CITY insurance certificates from its workers' compensation insurance carrier certifying that it carries such insurance and that the policy shall not be canceled nor the coverage reduced except upon thirty (30) days' prior written notice to CITY at the address specified in this Agreement.
- (b) SUBRECIPIENT shall obtain, at its sole cost, a comprehensive general liability insurance policy or policies insuring against liability for any and all claims and suits for damage or injuries to persons or property resulting from or arising out of operations of SUBRECIPIENT, its officers, agents, employees, or volunteers. Said policy or policies of insurance shall provide coverage for both bodily injury and property damages in not less than the following minimum amounts: One Million Dollars (\$1,000,000.00) combined single limits, or its equivalent. Said policy or policies shall also contain a provision that no termination, cancellation or change of coverage of any insured or additional insured shall be effective until thirty (30) days' notice thereof has been given in writing to CITY at the address specified in this Agreement. SUBRECIPIENT shall file with CITY prior to exercising any right or performing any obligation pursuant to this Agreement, and maintain for the period covered by this Agreement, a policy or policies of general liability insurance, or certificate of such insurance, satisfactory to the City Attorney expressly naming the City of Costa Mesa as additional insured.
- (c) SUBRECIPIENT shall obtain, at its sole cost, business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than one million dollars (\$1,000,000.00) combined single limits, per occurrence for bodily injury and property damage.
- (d) SUBRECIPIENT shall give CITY prompt and timely notice of any claim made or suit instituted. SUBRECIPIENT shall procure and maintain, at its own cost and expense, any additional kinds and amounts of insurance which, in its own judgment, may be necessary for its proper protection in the prosecution of the work.
- (e) **Endorsement.** The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:
  - (i) Additional insureds: "The City of Costa Mesa and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the SUBRECIPIENT pursuant to its contract with the City; products and completed operations of the SUBRECIPIENT; premises owned, occupied or used by the SUBRECIPIENT;

automobiles owned, leased, hired, or borrowed by the SUBRECIPIENT.”

- (ii) Notice: “Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to City.”
  - (iii) Other insurance: “The SUBRECIPIENT’s insurance coverage shall be primary insurance as respects the City of Costa Mesa, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by this policy.”
  - (iv) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Costa Mesa, its officers, officials, agents, employees, and volunteers.
  - (v) The SUBRECIPIENT’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.
- (f) **Deductible or Self-Insured Retention.** If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.
- (g) **Certificates of Insurance.** SUBRECIPIENT shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement. The certificates of insurance shall be attached hereto and incorporated herein by this reference.

## **B. CITY OBLIGATIONS.**

1. **Payment of Funds.** CITY shall disburse to SUBRECIPIENT from CDBG FUNDS, if and to the extent received from HUD, amounts expended by SUBRECIPIENT in carrying out said program pursuant to this Agreement in quarterly installments determined by CITY. Payment shall be made to SUBRECIPIENT based on the submission of quarterly invoices, in a form prescribed by CITY, detailing such expenses. Invoices must include documentation of expenses by receipts, time records, invoices, canceled checks, or other appropriate documentation that fully and completely discloses the amount(s) and nature(s) of the expenditures. CITY shall pay such invoices within forty-five (45) days after receipt thereof, provided CITY is satisfied that such expenses have been incurred and documented within the scope and provisions of this Agreement and in conformity with the CDBG Regulations and that SUBRECIPIENT is in compliance with the terms and conditions of this Agreement.
- (a) **Sole Source of Funding is CDBG Program Funds.** SUBRECIPIENT expressly acknowledges and agrees that the sole source of funding available to CITY to meet its funding obligation to SUBRECIPIENT under this Agreement is from CDBG Program funds allocated to and paid to CITY by HUD and that no other source of revenues or funding is made available, offered, or construed to be provided hereunder by CITY to SUBRECIPIENT. To the extent CITY is not allocated and/or does not receive the CDBG funds necessary to pay SUBRECIPIENT pursuant to the terms of this Agreement, then SUBRECIPIENT

acknowledges and agrees there is no other funding source available or committed to meet CITY's funding described hereunder and no payment obligation of the CITY shall exist or be construed to exist.

- 2. Audit of Account.** CITY will include an audit of the records and accounts maintained by SUBRECIPIENT pursuant to this Agreement in CITY's annual audit of all CDBG funds pursuant to CDBG Regulations, Title 24 of the Code of Federal Regulations, and other applicable federal laws and regulations.

**C. MISCELLANEOUS PROVISIONS.**

- 1. Notices.** All notices to the parties required by this Agreement shall be in writing and shall be sent by certified mail, addressed as follows:

TO CITY: City of Costa Mesa  
Housing & Community Development Department  
77 Fair Drive  
Costa Mesa, CA 92626  
Attn: CDBG/HOME Coordinator

TO SUBRECIPIENT: Chief Executive Officer  
Community SeniorServ, Inc.  
1200 N. Knollwood Circle  
Anaheim, CA 92801

- 2. No Disposition of Assets Acquired with CDBG FUNDS.** SUBRECIPIENT shall not dispose of any real or personal property acquired in full or in part with CDBG FUNDS through sale, use or relocation without the express and prior written permission of the CITY.
- 3. Disbursement Pursuant to Agreement.** SUBRECIPIENT acknowledges that the CITY shall disburse funds to SUBRECIPIENT only upon execution of this Agreement and CITY is empowered to provide funds to SUBRECIPIENT only pursuant to the provisions of this Agreement.
- 4. Drug-Free Work Place Policy.** SUBRECIPIENT, upon notification of contract award, shall establish a Drug-Free Awareness Program to inform employees of the dangers of drug abuse in the work place, the penalties that may be imposed upon employees for drug abuse violations occurring in the work place, and the employee assistance programs available to employees. Each employee engaged in the performance of a SUBRECIPIENT contract must be notified of this Drug-Free Awareness Program, and must abide by its terms. SUBRECIPIENT shall conform to all the requirements of CITY's Council Policy No. 100-5, attached hereto as Attachment 2. Failure to establish a program, notify employees, or inform the CITY of a drug-related workplace conviction will constitute a material breach of contract and cause for immediate termination of this Agreement by CITY.
- 5. No Use of CDBG FUNDS for Lobbying.** SUBRECIPIENT shall not expend any CDBG FUNDS for the purpose of influencing or attempting to influence any officer or employee of any agency, a member of Congress, any officer or employee of Congress or any employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant or loan, the entering into of any cooperative federal agreement, and/or the

extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.

SUBRECIPIENT shall complete and submit Standard Form LLL (Disclosure of Lobbying Activities) if it expends any funds other than grant funds for the purpose of influencing or attempting to influence the persons listed in the above paragraph.

6. **Constitutional Use of Funds.** As an express condition to this Agreement, SUBRECIPIENT agrees that the funds provided by CITY to SUBRECIPIENT hereunder shall not be used to promote any religion, religious creed or cult, denomination, sectarian organization or religious belief or to fund any proselytizing activities. The parties agree the foregoing covenant is intended to and shall be construed for the limited purpose of assuring compliance with respect to the use of CITY funds by SUBRECIPIENT with applicable constitutional limitations respecting the establishment of religion as set forth in the establishment clause under the First Amendment of the United States Constitution and Article I, Section 4 of California Constitution, and is not in any manner intended to restrict other activities of SUBRECIPIENT.
7. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance.
8. **Corporate Authority.** The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.
9. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.
10. **Entire Agreement; Modification.** This Agreement contains the entire agreement of the parties and supersedes all other prior negotiations, understandings or agreements. This Agreement may be modified only upon mutual written agreement of the parties. Notwithstanding the foregoing, SUBRECIPIENT shall agree to any amendment necessary to conform with federal, state or local governmental regulations, guidelines or policies.

[Signatures appear on following page.]

IN WITNESS WHEREOF, CITY and SUBRECIPIENT have caused this Agreement to be executed by their duly authorized officers on the day and year first above written.

**CITY OF COSTA MESA**  
A California municipal corporation

*Lori Ann Farrell Harrison*

Lori Ann Farrell Harrison  
City Manager

**SUBRECIPIENT**

**COMMUNITY SENIORSERV, INC.**  
Federal Tax ID Number: 95-2771715  
DUNS Number: 08-497-5739

*Holly Hagler*  
Signature

Holly Hagler, President and CEO  
Name Title

Date: 10/15/2020

*Jane Roth*  
Signature

Jane Roth, CFO  
Name and Title

Date: 10/15/2020

**ATTEST:**

*Brenda Green 10/29/20*  
Brenda Green  
City Clerk

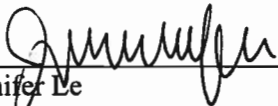


**APPROVED AS TO FORM:**

*Kimberly Hall Barlow*

Kimberly Hall Barlow  
City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
Jennifer Le  
Acting Director of Economic and Development Services

**APPROVED AS TO PURCHASING:**

  
\_\_\_\_\_  
Carol Molina  
Finance Director

**APPROVED AS TO INSURANCE:**

   
\_\_\_\_\_  
Kasama Lee  
Human Resources Manager



**ATTACHMENT 1**  
**SCOPE OF WORK**

**Attachment 1 - Scope of Work  
CITY OF COSTA MESA  
2020-2021 Community Development Block Grant**

<b>Activity: <u>Select one</u> from the below that best describes your program.</b>	<b>Primary Objective: <u>Select one</u> from the below that best describes your program.</b>	<b>Primary Outcome Measurement: <u>Select one</u> from the below that best describes your program.</b>	<b>CDBG National Objective: <u>Select one</u> objective from the list below that will be addressed by your program.</b>
<input checked="" type="checkbox"/> Senior Service <input type="checkbox"/> Youth Service <input type="checkbox"/> Homeless Service <input type="checkbox"/> Disabled Service <input type="checkbox"/> Low/Moderate-Income Service <input type="checkbox"/> Fair Housing Services <input type="checkbox"/> Housing Services	<input checked="" type="checkbox"/> <b><u>Create a suitable living environment:</u></b> Activity that benefits communities, families, or individuals by addressing issues in their living environment. <input type="checkbox"/> <b><u>Provide decent affordable housing:</u></b> Housing activity that meets family or community needs. This objective should not be used if the housing activity is an element of a larger effort, e.g., transitional housing. <input type="checkbox"/> <b><u>Create economic opportunities:</u></b> Activity related to economic development, commercial revitalization & job creation.	<input type="checkbox"/> <b><u>Availability/Accessibility:</u></b> Activity that makes services, infrastructure, housing and/or shelter available and accessible. (Note: accessibility does not refer only to physical barriers.) <input type="checkbox"/> <b><u>Affordability:</u></b> Activity provides affordability in a variety of ways including the creation or maintenance of affordable housing, basic infrastructure hookups, or services (e.g., transportation or daycare) <input checked="" type="checkbox"/> <b><u>Sustainability:</u></b> Activity promotes livable or viable communities and neighborhoods by providing services or by removing slums or blighted areas.	<input checked="" type="checkbox"/> Benefit low/moderate income persons <input type="checkbox"/> Meet community development needs having a particular urgency

***I. Description of Work***

- A. Provide a concise description of the activity to be undertaken with CDBG funds during the 12-month contract period including the services to be performed, length of services, who will benefit from the services, and how CDBG funds will be used. The Lunch Café Program (Grab & Go Meals) and Home Delivered Meals (HDM) Programs will alleviate poor nutrition among the elderly residents of Costa Mesa. The Lunch Café Program will provide 5 nutritional meals per week and the HDM Program will provide 3 meals a day 5 days a week, based on the availability of funding. All meals are based on voluntary contributions and no individual will be turned away due to their inability to contribute. The overall goal of both programs is to improve the quality of life for participants and their families by creating a safety net of health, nutrition and supportive services to enhance independence, well-being and dignity. All Costa Mesa CDBG Funds will help offset the raw food costs of both nutritional programs.
- B. Describe the general administrative services to be performed in support of activities noted above and list the amount of CDBG funds (if any) that will be utilized to support these general administrative services. Meals on Wheels OC has policies and procedures in place to comply with requirements of CDBG funding. General administrative services include tracking outcomes and services through our database and tracking systems which compiles all unduplicated participant data. Meals on Wheels OC reports all required information to the City of Costa Mesa. No CDBG funds will be used to support administrative services.

**II. Output Measurements**

- A. Total number of unduplicated clients anticipated to be served by the CDBG-funded during the program 12-month contract period (**regardless** of community of residence) = 15,000 Persons
- B. Number of **unduplicated Costa Mesa** residents to be served with CDBG funds during the 12-month contract period = 180 Persons
- C. Of the **Costa Mesa** residents to be assisted with CDBG funds:
  - How many will have **new or continued access** to this service or benefit? 180 Persons
  - How many will have **improved access** to this services or benefit?       Persons
- D. Provide a "break-down" of the number of Costa Mesa residents to be served by the activities listed above. Each resident obtaining services should only be counted once even if they receive multiple services. See the example below.

SAMPLE PROGRAM SERVICE GOALS	
Costa Mesa Residents	Type of Service Provided * If a resident receives multiple services, only count once. <i>Example: Resident receives food bank, rent &amp; utility assistance - resident only counted once under "Direct Assistance"</i>
20	Phone Referrals
50	Counseling Services
10	Food Bank
5	Direct Financial Assistance (rent, mortgage, utility assistance)
<b>85</b>	<b>TOTAL UNDUPLICATED</b>

Program Service Goals	
Costa Mesa Residents	Type of Service Provided * <i>If a resident receives multiple services, only count once.</i>
130	GrabNGo meals-Lunch Café Sites
30	Home Delivered meals
<b>180</b>	<b>TOTAL UNDUPLICATED</b>

- E. Estimate the number of unduplicated Costa Mesa residents to be served with CDBG funds during the 12-month contract period per quarter:
 

Quarter 1: July 1 – September 30	<u>50</u> Persons
Quarter 2: October 1 – December 31	<u>50</u> Persons
Quarter 3: January 1 – March 31	<u>50</u> Persons
Quarter 4: April 1 – June 30	<u>30</u> Persons
<b>Total</b>	<b><u>180</u> Persons</b>

F. Summarize the program outcomes and how outcomes will be measured, tracked & reported. Meals on Wheels OC will provide nutrition services to 130 vulnerable seniors through the Lunch Café/Grab & Go Program and 50 homebound seniors through our HDM Program. The meals are analyzed by a registered dietitian. Participant information will be gathered through completed intake/reassessment forms. The outcomes will be tracked in our SAMS database system/CDBG spreadsheet. These measured outcomes will be reported by submitting the Quarterly performance report to the City of Costa Mesa.

**III. 2020-2021 Program Budget**

Estimate the amount of grant funds to be requested during the 12-month contract period on a quarterly basis:

Quarter 1: July 1 – September 30	<u>\$8,850.00</u>
Quarter 2: October 1 – December 31	<u>\$8,850.00</u>
Quarter 3: January 1 – March 31	<u>\$8,850.00</u>
Quarter 4: April 1 – June 30	<u>\$8,850.00</u>
<b>Total</b>	<b><u>\$35,400.00</u></b>

BUDGET CATEGORY	PROPOSED USE OF CDBG FUNDS	PROPOSED USE OF OTHER PROGRAM FUNDS	TOTAL PROGRAM COSTS
Agency Administration Staff Salaries & Benefits	\$	\$910,898	\$910,898
Program Staff Salaries & Benefits	\$	\$2,143,850	\$2,143,850
Program Supplies	\$	\$349,433	\$349,433
Rent/Lease	\$	\$20,573	\$20,573
Communications	\$	\$122,662	\$122,662
Utilities	\$	\$93,026	\$93,026
Professional Services (Specify) Raw Food	\$35,400	\$1,167,287	\$1,202,687
Insurance	\$	\$77,671	\$77,671
Other (Specify) Building & Equipment Maint.	\$	\$98,693	\$98,693
Other (Specify) Contract Labor	\$	\$686,206	\$686,206
Other (Specify) Vehicle Gas/Maint. & Travel	\$	\$131,856	\$131,856
Other (Specify) Other & In-Kind	\$	\$948,924	\$948,924
<b>TOTAL</b>	<b>\$35,400</b>	<b>\$6,751,079 *</b>	<b>\$6,786,479</b>

**List Source of "Other" Program Revenue Already Committed To Program**

SOURCE OF OTHER PROGRAM REVENUE	AMOUNT OF OTHER PROGRAM FUNDS
Title III	\$ 4,648,629
Other City Funds	\$ 332,948
Senior Donations	\$ 450,431
Safety Net Grants	\$ 498,706
In-Kind	\$ 820,365
<b>TOTAL</b>	<b>\$ 6,751,079 *</b>

**\* Note: your program must demonstrate financial viability. At a minimum, the total of "Other" Program Revenue Already Committed To Program "must equal the "PROPOSED USE OF OTHER PROGRAM FUNDS"**

**IV. CDBG Funded Personnel:**

ONLY list personnel that will be paid with CDBG funds and that have been listed as part of the 2020-2021 Program Budget.

CHECK BOX IF NOT APPLICABLE

**AGENCY ADMINISTRATION**

POSITION TITLE	ANNUAL SALARY	ANNUAL BENEFITS	TOTAL COMPENSATION	CDBG FUNDS REQUESTED	% OF TIME POSITION IS DEDICATED TO CM CDBG ACTIVITY
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%

**PROPOSED PROGRAM STAFF**

POSITION TITLE	ANNUAL SALARY	ANNUAL BENEFITS	TOTAL COMPENSATION	CDBG FUNDS REQUESTED	% OF TIME POSITION IS DEDICATED TO CM CDBG ACTIVITY
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%

**PROPOSED PROGRAM CONTRACT STAFF**

POSITION TITLE	ANNUAL SALARY	ANNUAL BENEFITS	TOTAL COMPENSATION	CDBG FUNDS REQUESTED	% OF TIME POSITION IS DEDICATED TO CM CDBG ACTIVITY
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%
	\$	\$	\$	\$	%

**FY 2020-2021 Costa Mesa CDBG Program Outcomes**

**A minimum of one (1) program goal and outcome is required.**

**(If funds will be used for more than one program, then each program must have a corresponding goal and outcome.)**

<b>Program Goal</b>	<b>Program Activities</b>	<b>Program Output</b>	<b>Indicator</b>	<b>Program Outcome</b>	<b>Outcome Measurement</b>
<i>Goal: The overarching objective(s) of the program.</i>	<i>Activities: Describe the tasks/activities that will be carried out in pursuit of the desired goal.</i>	<i>Outputs: List the quantifiable outputs your team will undertake in pursuit of the outcome. (e.g. # of classes held, # of participants engaged), # of meals served.</i>	<i>Indicators: Measures or benchmarks used to track how/if outcome(s) will be reached.</i>	<i>Outcome: The end result and impact on the target population as a result of the efforts (e.g. change in knowledge, behavior or community).</i>	<i>Results: What is the "success" threshold for outcomes (e.g., % of clients meeting planned outcome).</i>
Goal 1: Provide nutrition services to vulnerable seniors through the Lunch Café/Grab & Go Program	Provide nutritious lunch meals that have been analyzed by a Registered Dietitian	Serve 130 unduplicated participants through the Lunch Café/Grab & Go Program	Data Tracking of number of seniors served through the Lunch Café/Grab & Go Program	Increase nutrition of seniors	130 unduplicated participants will be served through the Lunch Café/Grab & Go Program.
Goal 2: Provide nutrition services to homebound, seniors through the Home Delivered Meals Program	Provide nutritious home delivered meals analyzed by a Registered Dietitian	Serve 50 unduplicated clients to receive HDMs.	Data Tracking of number of unduplicated clients added to the HDM Program	Increase nutrition of seniors	50 unduplicated clients will be served through the HDM Program.
Goal 3:					

**ATTACHMENT 2**

**COUNCIL POLICY NO. 100-5**

## Attachment 2

<b>SUBJECT</b>	<b>POLICY NUMBER</b>	<b>EFFECTIVE DATE</b>	<b>PAGE</b>
DRUG-FREE WORKPLACE	100-5	8-8-89	1 of 3

### BACKGROUND

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Under the Federal Drug-Free Workplace Act of 1988, passed as part of omnibus drug legislation enacted November 18, 1988, contractors and grantees of Federal funds must certify that they will provide drug-free workplaces. At the present time, the City of Costa Mesa, as a sub-grantee of Federal funds under a variety of programs, is required to abide by this Act. The City Council has expressed its support of the national effort to eradicate drug abuse through the creation of a Substance Abuse Committee, institution of a City-wide D.A.R.E. program in all local schools and other activities in support of a drug-free community. This policy is intended to extend that effort to contractors and grantees of the City of Costa Mesa in the elimination of dangerous drugs in the workplace.

### PURPOSE

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It is the purpose of this Policy to:

1. Clearly state the City of Costa Mesa's commitment to a drug-free society.
2. Set forth guidelines to ensure that public, private, and nonprofit organizations receiving funds from the City of Costa Mesa share the commitment to a drug-free workplace.

### **POLICY**

The City Manager, under direction by the City Council, shall take the necessary steps to see that the following provisions are included in all contracts and agreements entered into by the City of Costa Mesa involving the disbursement of funds.

1. Contractor or Sub-grantee hereby certifies that it will provide a drug-free workplace by:
  - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in Contractor's and/or sub-grantee's workplace, specifically the job site or location included in this contract, and specifying the actions that will be taken against the employees for violation of such prohibition;



SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	2 of 3

- b. Establishing a Drug-Free Awareness Program to inform employees about:
  - 1. The dangers of drug abuse in the workplace;
  - 2. Contractor's and/or sub-grantee's policy of maintaining a drug-free workplace;
  - 3. Any available drug counseling, rehabilitation and employee assistance programs; and
  - 4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c. Making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by subparagraph A;
- d. Notifying the employee in the statement required by subparagraph 1 A that, as a condition of employment under the contract, the employee will:
  - 1. Abide by the terms of the statement; and
  - 2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- e. Notifying the City of Costa Mesa within ten (10) days after receiving notice under subparagraph 1 D 2 from an employee or otherwise receiving the actual notice of such conviction;
- f. Taking one of the following actions within thirty (30) days of receiving notice under subparagraph 1 D 2 with respect to an employee who is so convicted:
  - 1. Taking appropriate personnel action against such an employee, up to and including termination; or
  - 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health agency, law enforcement, or other appropriate agency;

<b>SUBJECT</b>	<b>POLICY NUMBER</b>	<b>EFFECTIVE DATE</b>	<b>PAGE</b>
DRUG-FREE WORKPLACE	100-5	8-8-89	3 of 3

- g. Making a good faith effort to maintain a drug-free workplace through implementation of subparagraphs 1 A through 1 F, inclusive.
2. Contractor and/or sub-grantee shall be deemed to be in violation of this Policy if the City of Costa Mesa determines that:
    - a. Contractor and/or sub-grantee has made a false certification under paragraph 1 above;
    - b. Contractor and/or sub-grantee has violated the certification by failing to carry out the requirements of subparagraphs 1 A through 1 G above;
    - c. Such number of employees of Contractor and/or sub-grantee have been convicted of violations of criminal drug statutes for violations occurring in the workplace as to indicate that the contractor and/or sub-grantee has failed to make a good faith effort to provide a drug-free workplace.
  3. Should any contractor and/or sub-grantee be deemed to be in violation of this Policy pursuant to the provisions of 2 A, B, and C, a suspension, termination or debarment proceeding subject to applicable Federal, State, and local laws shall be conducted. Upon issuance of any final decision under this section requiring debarment of a contractor and/or sub-grantee, the contractor and/or sub-grantee shall be ineligible for award of any contract, agreement or grant from the City of Costa Mesa for a period specified in the decision, not to exceed five (5) years. Upon issuance of any final decision recommending against debarment of the contractor and/or sub-grantee, the contractor and/or sub-grantee shall be eligible for compensation as provided by law.

**ATTACHMENT 3**  
**CERTIFICATES OF INSURANCE**



# CERTIFICATE OF LIABILITY INSURANCE

7/1/2021

DATE (MM/DD/YYYY)  
6/30/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Insurance Brokers, LLC 777 S. Figueroa Street, 52nd Fl. CA License #0F15767 Los Angeles CA 90017 (213) 689-0065	CONTACT NAME:	
	PHONE (A/G. No. Ext):	FAX (A/G. No.):
E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A : Philadelphia Indemnity Insurance Co.		18058
INSURER B : Redwood Fire and Casualty Insurance Co		11673
INSURER C :		
INSURER D :		
INSURER E :		
INSURER F :		

COVERAGES COMSE01 CERTIFICATE NUMBER: 15526350 REVISION NUMBER: XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURED	SUBROGATION WAIVED	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	Y	N	PHPK2148207	7/1/2020	7/1/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 OTHER: \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY	N	N	PHPK2148207	7/1/2020	7/1/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX Comp./Coll. Ded. \$ 1,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000	N	N	PHUB727463	7/1/2020	7/1/2021	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 OTHER: \$ XXXXXXXX
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	COWC141508	7/1/2020	7/1/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
City of Costa Mesa and Costa Mesa Housing Authority is an Additional Insured to the extent provided by the policy language or endorsement issued or approved by the insurance carrier. Insurance provided to Additional Insured(s) is primary and non-contributory as per the attached endorsements or policy language.

**CERTIFICATE HOLDER****CANCELLATION** See Attachments

15526350 City of Costa Mesa Costa Mesa Housing Authority 77 Fair Drive Costa Mesa CA 92626	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

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City of Costa Mesa  
Costa Mesa Housing Authority

77 Fair Drive

Costa Mesa, CA 92626

**To whom it may concern:**

In our continuing effort to provide timely certificate delivery, Lockton Companies is transitioning to paperless delivery of Certificates of Insurance, thus, this is your final hard-copy delivery.

To ensure electronic delivery for future renewals of this certificate, we need your email address. Please contact us via one of the methods below, referencing Certificate ID **15526350**.

- Email: [PacificeDelivery@lockton.com](mailto:PacificeDelivery@lockton.com)
- Phone: (213) 689-2300

If you received this certificate through an internet link where the current certificate is viewable, we have your email and no further action is needed.

In the event your mailing address has changed, will change in the future, or you no longer require this certificate, please let us know using one of the methods above.

*The above inbox and phone number below are for automating electronic delivery of certificates only. Please do NOT send future certificate requests to the above inbox or call into the number below.*

Thank you for your cooperation and willingness in reducing our environmental footprint.

**Lockton Insurance Brokers, LLC - Pacific Series**

Lockton Insurance Brokers, LLC  
License #0F15767  
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART  
SCHEDULE**

<p><b>Name Of Additional Insured Person(s) Or Organization(s):</b></p> <p><b>City of Costa Mesa and Costa Mesa Housing Authority</b></p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

- A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
  1. In the performance of your ongoing operations; or
  2. In connection with your premises owned by or rented to you.

However:

  1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
  2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
- C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance**: If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:
  1. Required by the contract or agreement; or
  2. Available under the applicable Limits of insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.