

**SUBGRANTEE AGREEMENT
BETWEEN THE COUNTY OF NEVADA AND FOOTHILL HOUSE OF HOSPITALITY
FOR HOUSING REHABILITATION SERVICES**

THIS SUBGRANTEE AGREEMENT (“Contract”) is made at Nevada City, California, as of June 2, 2026 by and between the County of Nevada, (“County” or “Grantee”), and Foothill House of Hospitality, Inc., a California Non-Profit Corporation (“Subgrantee”) (together, “Parties”, individual “Party”):

WHEREAS, Funding for Behavioral Health Bridge Housing (BHBH) programs was signed into law in September of 2022 under Assembly Bill (AB) 179 (Ting, Chapter 249, Statutes of 2022); and

WHEREAS, the Grantee has applied for and has been awarded funds from the State of California, Department of Health Care Services (“the Department”) in an award letter dated April 30, 2026; and

WHEREAS the Department makes available these funds through a subcontract agreement between the Grantee and Advocates for Human Potential (“Grantor”); and

WHEREAS, the Grantee wishes to engage the Subgrantee to assist the Grantee in utilizing such funds.

NOW, THEREFORE, it is hereby agreed between the parties for mutual consideration that:

1. **Services** Subject to the terms and conditions set forth in this Contract, Subgrantee shall provide the services described in **Exhibit A**. Subgrantee shall provide said services at the time, place, and in the manner specified in **Exhibit A**.
2. **Payment** County shall pay Subgrantee for services rendered pursuant to this Contract at the time and in the amount set forth in **Exhibit B**. The payments specified in **Exhibit B** shall be the only payment made to Subgrantee for services rendered pursuant to this Contract. Subgrantee shall submit all billings for said services to County in the manner specified in **Exhibit B**; or, if no manner be specified in **Exhibit B**, then according to the usual and customary procedures which Subgrantee uses for billing clients similar to County. **The amount of the contract shall not exceed Two Million Seven Hundred Fifty-Six Thousand One Hundred Seventy Dollars (\$2,756,170)**. The maximum obligation of this Contract is contingent and dependent upon final acceptance of grant funding to support project expenses.
3. **Term** Pursuant to the Grantors award letter dated April 30, 2026, allowing for expenditures to begin at the date of the award letter, this agreement shall commence on May 1, 2026. This agreement, including payment, is contingent on Nevada County’s finalization of the amended BHBH agreement with Advocates for Human Potential by June 21, 2026. All services required to be provided by this Contract shall be completed and ready for acceptance no later than the **Contract Termination Date** of: June 30, 2027.
4. **Facilities, Equipment and Other Materials** Subgrantee shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Contract.
5. **Exhibits** All exhibits referred to herein and attached hereto are incorporated herein by this reference.
6. **Electronic Signatures** The Parties acknowledge and agree that this Contract may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, “electronic signature” shall include faxed or emailed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature.

7. **Time for Performance** Time is of the essence. Failure of Subgrantee to perform any services within the time limits set forth in Exhibit A, or elsewhere in this Contract, shall constitute material breach of this contract. Subgrantee shall devote such time to the performance of services pursuant to this Contract as may be reasonably necessary for the satisfactory performance of Subgrantee's obligations pursuant to this Contract. Neither Party shall be considered in default of this Contract to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the Party.
8. **Liquidated Damages**
Liquidated Damages are presented as an estimate of an intangible loss to the County. It is a provision that allows for the payment of a specified sum should Subgrantee be in breach of contract. Liquidated Damages shall apply shall not apply to this contract. Liquidated Damages applicable to this contract are incorporated in Exhibit E, attached hereto.
9. **Relationship of Parties**
- 9.1. **Independent Subgrantee**
In providing services herein, Subgrantee, and the agents and employees thereof, shall work in an independent capacity and as an independent Subgrantee and not as agents or employees of County. Subgrantee acknowledges that it customarily engages independently in the trade, occupation, or business as that involved in the work required herein. Further, the Parties agree that Subgrantee shall perform the work required herein free from the control and direction of County, and that the nature of the work is outside the usual course of County's business. In performing the work required herein, Subgrantee shall not be entitled to any employment benefits, Workers' Compensation, or other programs afforded to County employees. Subgrantee shall hold County harmless and indemnify County against such claim by its agents or employees. County makes no representation as to the effect of this independent Subgrantee relationship on Subgrantee's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Subgrantee specifically assumes the responsibility for making such determination. Subgrantee shall be responsible for all reports and obligations including but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation and other applicable federal and state taxes.
- 9.2. **No Agent Authority** Subgrantee shall have no power to incur any debt, obligation, or liability on behalf of County or otherwise to act on behalf of County as an agent. Neither County nor any of its agents shall have control over the conduct of Subgrantee or any of Subgrantee's employees, except as set forth in this Contract. Subgrantee shall not represent that it is, or that any of its agents or employees are, in any manner employees of County.
- 9.3. **Indemnification of CalPERS Determination** In the event that Subgrantee or any employee, agent, or Subgrantee or additional sub-subgrantee providing service under this Contract is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of County, Subgrantee shall indemnify, defend, and hold harmless County for all payments on behalf of Subgrantee or its employees, agents, or Subgrantees, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of County.
10. **Assignment and Subcontracting** Except as specifically provided herein, the rights, responsibilities, duties and services to be performed under this Contract are personal to Subgrantee and may not be transferred, subcontracted, or assigned without the prior written consent of County. Subgrantee shall not substitute or replace any personnel for those specifically named herein or in its proposal without the prior written consent of County.

Subgrantee shall cause and require each transferee, Subgrantee, and assignee to comply with the insurance provisions set forth herein, to the extent such insurance provisions are required of Subgrantee under this Contract. Failure of Subgrantee to so cause and require such compliance by each transferee, Subgrantee, and assignee shall constitute a material breach of this Contract, and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both.

11. **Licenses, Permits, Etc.** Subgrantee represents and warrants to County that Subgrantee shall, at its sole cost and expense, obtain or keep in effect at all times during the term of this Contract, any licenses, permits, and approvals which are legally required for Subgrantee to practice its profession at the time the services are performed.
12. **Hold Harmless and Indemnification Contract** To the fullest extent permitted by law, each Party (the “Indemnifying Party”) hereby agrees to protect, defend, indemnify, and hold the other Party (the “Indemnified Party”), its officers, agents, employees, and volunteers, free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character resulting from the Indemnifying Party’s negligent act, willful misconduct, or error or omission, including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by the Indemnified Party arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of the Indemnified Party) and without limitation, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the Contract. The Indemnifying Party agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the Indemnifying Party, using legal counsel approved in writing by Indemnified Party. Indemnifying Party also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against either Party or to enlarge in any way either Party’s liability but is intended solely to provide for indemnification of the Indemnified Party from liability for damages, or injuries to third persons or property, arising from or in connection with Indemnifying Party’s performance pursuant to this Contract. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this Contract.
13. **Standard of Performance** Subgrantee shall perform all services required pursuant to this Contract in the manner and according to the standards observed by a competent practitioner of the profession in which Subgrantee is engaged in the geographical area in which Subgrantee practices its profession. All products of whatsoever nature which Subgrantee delivers to County pursuant to this Contract shall be prepared in a substantial first class and workmanlike manner and conform to the standards or quality normally observed by a person practicing in Subgrantee’s profession.
14. **Subgrantee without additional compensation** Subgrantee’s personnel, when on County’s premises and when accessing County network remotely, shall comply with County’s regulations regarding security, remote access, safety and professional conduct, including but not limited to Nevada County Security Policy NCSP-102 Nevada County External User Policy and Account Application regarding data and access security. Subgrantee personnel will solely utilize County’s privileged access management platform for all remote access support functions, unless other methods are granted in writing by County’s Chief Information Officer or his/her designee.
15. **Prevailing Wage and Apprentices** To the extent made applicable by law, performance of this Contract shall be in conformity with the provisions of California Labor Code, Division 2, Part 7, Chapter 1, commencing with section 1720 relating to prevailing wages which must be paid to workers employed on a public work as defined in Labor Code section 1720, et seq., and shall be in conformity with Title 8 of the California Code of Regulations section 200 et seq., relating to apprenticeship. Where applicable:

- Subgrantee shall comply with the provisions thereof at the commencement of services to be provided herein, and thereafter during the term of this Contract. A breach of the requirements of this section shall be deemed a material breach of this contract. Applicable prevailing wage determinations are available on the California Department of Industrial Relations website at <http://www.dir.ca.gov/OPRL/PWD>.
 - Subgrantee and all Subgrantees must comply with the requirements of Labor Code section 1771.1(a) pertaining to registration of Subgrantees pursuant to section 1725.5. Registration and all related requirements of those sections must be maintained throughout the performance of the Contract.
 - Contracts to which prevailing wage requirements apply are subject to compliance monitoring and enforcement by the Department of Industrial Relations. Subgrantee and each Subgrantee must furnish certified payroll records to the Labor Commissioner at least monthly.
 - County is required to provide notice to the Department of Industrial Relations of any public work contract subject to prevailing wages within five (5) days of award.
16. **Accessibility** It is the policy of County that all County services, programs, meetings, activities and facilities shall be accessible to all persons, and shall comply with the provisions of the Americans With Disabilities Act and Title 24, California Code of Regulations. To the extent this Contract shall call for Subgrantee to provide County contracted services directly to the public, Subgrantee shall certify that said direct services are and shall be accessible to all persons.
17. **Nondiscriminatory Employment** Subgrantee shall not discriminate in its employment practices because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, sex or sexual orientation, or any other legally protected category, in contravention of the California Fair Employment and Housing Act, Government Code section 12900 et seq.
18. **Drug-Free Workplace** Senate Bill 1120, (Chapter 1170, Statutes of 1990), requires recipients of State grants to maintain a "drug-free workplace". Every person or organization awarded a contract for the procurement of any property or services shall certify as required under Government Code Section 8355-8357 that it will provide a drug-free workplace.
19. **Political Activities** Subgrantee shall in no instance expend funds or use resources derived from this Contract on any political activities.
20. **Financial, Statistical and Contract-Related Records:**
- 19.1. **Books and Records** Subgrantee shall maintain statistical records and submit reports as required by County. Subgrantee shall also maintain accounting and administrative books and records, program procedures and documentation relating to licensure and accreditation as they pertain to this Contract. All such financial, statistical and contract-related records shall be retained for five (5) years or until program review findings and/or audit findings are resolved, whichever is later. Such records shall include but not be limited to bids and all supporting documents, original entry books, canceled checks, receipts, invoices, payroll records, including subsistence, travel and field expenses, together with a general ledger itemizing all debits and credits.
- 19.2. **Inspection** Upon reasonable advance notice and during normal business hours or at such other times as may be agreed upon, Subgrantee shall make all of its books and records, including general business records, available for inspection, examination or copying, to County, or to the State Department of Health Care Services, the Federal Department of Health and Human Services, the Controller General of the United States and to all other authorized federal and state agencies, or their duly authorized representatives.

19.3. **Audit** Subgrantee shall permit the aforesaid agencies or their duly authorized representatives to audit all books, accounts or records relating to this Contract, and all books, accounts or records of any business entities controlled by Subgrantee who participated in this Contract in any way. All such records shall be available for inspection by auditors designated by County or State, at reasonable times during normal business hours. Any audit may be conducted on Subgrantee's premises or, at County's option, Subgrantee shall provide all books and records within fifteen (15) days upon delivery of written notice from County. Subgrantee shall promptly refund any moneys erroneously charged and shall be liable for the costs of audit if the audit establishes an over-charge of five percent (5%) or more of the correct amount owed during the audit period.

21. **Termination**

- A. A material breach, as defined pursuant to the terms of this Contract or otherwise, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to immediately suspend payments hereunder, or terminate this Contract, or both, without notice.
- B. If Subgrantee fails to timely provide in any manner the services materials and products required under this Contract, or otherwise fails to promptly comply with the terms of this Contract, or violates any ordinance, regulation or other law which applies to its performance herein, County may terminate this Contract by giving **five (5) calendar days written notice to Subgrantee.**
- C. Either Party may terminate this Contract for any reason, or without cause, by giving **thirty (30) calendar days written notice** to the other, which notice shall be sent by registered mail in conformity with the notice provisions, below. In the event of termination not the fault of Subgrantee, Subgrantee shall be paid for services performed to the date of termination in accordance with the terms of this Contract. Subgrantee shall be excused for failure to perform services herein if such performance is prevented by acts of God, strikes, labor disputes or other forces over which Subgrantee has no control.
- D. County, upon giving **thirty (30) calendar days written notice** to Subgrantee, shall have the right to terminate its obligations under this Contract at the end of any fiscal year if County or the State of California, as the case may be, does not appropriate funds sufficient to discharge County's obligations coming due under this contract.

In the event this Contract is terminated:

- 1) Subgrantee shall deliver copies of all writings prepared by it pursuant to this Contract. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, photostating, photographing, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.
- 2) County shall have full ownership and control of all such writings delivered by Subgrantee pursuant to this Contract.
- 3) County shall pay Subgrantee the reasonable value of services rendered by Subgrantee to the date of termination pursuant to this Contract not to exceed the amount documented by Subgrantee and approved by County as work accomplished to date; provided, however, that in no event shall any payment hereunder exceed the amount of the Contract specified in Exhibit B, and further provided, however, County shall not in any manner be liable for lost profits which might have been made by Subgrantee had Subgrantee completed the services required by this Contract. In this regard, Subgrantee shall furnish to County such financial information as in the judgment of County is necessary to determine the reasonable value of the services rendered by Subgrantee. The foregoing is cumulative and does not affect any right or remedy, which County may have in law or equity.

Intellectual Property Subgrantee will not publish or transfer any materials produced or resulting from activities supported by this Contract without the express written consent of County. All reports, original drawings, graphics, plans, studies and other data and documents, in whatever form or format, assembled or prepared by Contactor or Subgrantee's Subgrantees, consultants, and other agents in connection with this Contract are "works made for hire" (as defined in the Copyright Act, 17 U.S.C. Section 101 et seq., as amended) for County, and Subgrantee

unconditionally and irrevocably transfers and assigns to County all right, title, and interest, including all copyrights and other intellectual property rights, in or to the 'works made for hire.' Unless required by law, Subgrantee shall not publish, transfer, discuss, or disclose any of the above-described works made for hire or any information gathered, discovered, or generated in any way through this Contract, without County's prior express written consent. To the extent County provides any of its own original photographs, diagrams, plans, documents, information, reports, computer code and all recordable media together with all copyright interests thereto, to Subgrantee during this Contract, such information shall remain the property of County, and upon fifteen (15) days demand therefor, shall be promptly delivered to County without exception.

22. **Waiver** One or more waivers by one Party of any major or minor breach or default of any provision, term, condition, or covenant of this Contract shall not operate as a waiver of any subsequent breach or default by the other Party.
23. **Conflict of Interest** Subgrantee certifies that no official or employee of County, nor any business entity in which an official of County has an interest, has been employed or retained to solicit or aid in the procuring of this Contract. In addition, Subgrantee agrees that no such person will be employed in the performance of this Contract unless first agreed to in writing by County. This includes prior Nevada County employment in accordance with County's Personnel Code.
24. **Entirety of Contract** This Contract contains the entire Contract of County and Subgrantee with respect to the subject matter hereof, and no other contract, statement, or promise made by any Party, or to any employee, officer or agent of any Party, which is not contained in this Contract, shall be binding or valid.
25. **Alteration** No waiver, alteration, modification, or termination of this Contract shall be valid unless made in writing and signed by all Parties, except as expressly provided in Section 20, Termination.
26. **Governing Law and Venue** This Contract is executed and intended to be performed in the State of California, and the laws of that State shall govern its interpretation and effect. The venue for any legal proceedings regarding this Contract shall be the County of Nevada, State of California. Each Party waives any federal court removal and/or original jurisdiction rights it may have.
27. **Compliance with Applicable Laws** Subgrantee and any Subgrantees shall comply with any and all federal, state and local laws, codes, ordinances, rules and regulations which relate to, concern or affect the services or type of services to be provided by this Contract.
28. **Attorneys Fees.** The prevailing party in any dispute under this Contract shall be entitled to reasonable attorneys fees.
29. **Subrecipient** This contract shall not shall be subject to subrecipient status as such: the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200 et al (commonly referred to as the "OMB Super Circular" or "Uniform Guidance"). A copy of these regulations is available at the link provided herein for the Code of Federal Regulations. https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
30. **Additional Subgrantee Responsibilities**
 - A. To the extent Subgrantee is a mandated reporter of suspected child and/or dependent adult abuse and neglect, it shall ensure that its employees, agents, volunteers, Subgrantees, and independent Subgrantees are made aware of, understand, and comply with all reporting requirements. Subgrantee shall immediately notify County of any incident or condition resulting in injury, harm, or risk of harm to any child or dependent adult served under this Contract.
 - B. Subgrantee will immediately notify County of any active complaints, lawsuits, licensing or regulatory investigations, reports of fraud or malfeasance, or criminal investigations regarding its operations. Subgrantee agrees to work cooperatively with County in response to any investigation commenced by

County with regard to this Contract or the clients served herein, including providing any/all records requested by County related thereto.

- C. Subgrantee shall employ reasonable background check procedures on all employees, prospective employees, volunteers and consultants performing work involving direct contact with minor children or dependent adults under this Contract, including fingerprinting and criminal records checks, sexual offender registry checks, and reference checks, including both personal and professional references.

- 31. **Confidentiality** Subgrantee, its employees, agents and or Subgrantees may come in contact with documents that contain information regarding matters that must be kept confidential by County, including personally identifiable patient or client information. Even information that might not be considered confidential for the usual reasons of protecting non-public records should be considered by Subgrantee to be confidential.

Subgrantee agrees to maintain confidentiality of information and records as required by applicable federal, state, and local laws, regulations and rules and recognized standards of professional practice.

Notwithstanding any other provision of this Contract, Subgrantee agrees to protect the confidentiality of any confidential information with which Subgrantee may come into contact in the process of performing its contracted services. This information includes but is not limited to all written, oral, visual and printed patient or client information, including but not limited to: names, addresses, social security numbers, date of birth, driver's license number, case numbers, services provided, social and economic conditions or circumstances, agency evaluation of personal information, and medical data.

Subgrantee shall not retain, copy, use, or disclose this information in any manner for any purpose that is not specifically permitted by this Contract. Violation of the confidentiality of patient or client information may, at the option of County, be considered a material breach of this Contract.

- 32. **Notification** Any notice or demand desired or required to be given hereunder shall be in writing and deemed given when personally delivered or deposited in the mail, postage prepaid, and addressed to the Parties as follows:

COUNTY OF NEVADA:

Nevada County
Health and Human Services Department
Address: 950 Maidu Ave.
City, St, Zip Nevada City, CA 95959
Attn: Ryan Gruver, HHSA Director
Email:
Phone: (530) 265-9860

SUBGRANTEE:

Name of firm
Foothill House of Hospitality, Inc.
Address 1262 Sutton Way
City, St, Zip Grass Valley CA 95945
Attn: Nancy S. Baglietto
Email: nancy@hhshelter.org
Phone: (510) 499-4941

Any notice so delivered personally shall be deemed to be received on the date of delivery, and any notice mailed shall be deemed to be received five (5) days after the date on which it was mailed.

Authority: All individuals executing this Contract on behalf of Subgrantee represent and warrant that they are authorized to execute and deliver this Contract on behalf of Subgrantee.

IN WITNESS WHEREOF, the Parties have executed this Contract to begin on the Effective Date.

COUNTY OF NEVADA:

By: _____ Date: _____

Printed Name/Title: Honorable Lisa Swarthout, Chair, of the Board of Supervisors

By: _____

Attest: Clerk of the Board of Supervisors

SUBGRANTEE: Foothill House of Hospitality, Inc.

By: _____ Date: _____

Name: Nancy S. Baglietto

* Title: Chief Executive Officer

****If Subgrantee is a corporation, this Contract must be signed by two corporate officers; one of which must be the secretary of the corporation, and the other may be either the President or Vice President, unless an authenticated corporate resolution is attached delegating authority to a single officer to bind the corporation (California Corporations Code Sec. 313).***

Exhibits

- A. Scope of Services
- B. Schedule of Charges and Payments
- C. Insurance Requirements

EXHIBIT A
SCOPE OF SERVICES

I. SCOPE OF SERVICE

A. Activities

The Subgrantee will be responsible for administering a portion of funds in the Amended and Restated Subcontract Agreement between Nevada County and Advocates for Human Potential related to the acquisition, rehabilitation, and delivery of the BHBH Program Plan, as approved by the Grantor (Department of Health Care Services), which reflects a minimum of 20 beds of housing on a minimum of two sites to be acquired by the Subgrantee at the time of this contract. The properties must be located within Nevada County. Subgrantee will be responsible for identifying and purchasing property, including the selection of any independent real estate agent. Subgrantee will consult with County on property selection. Subgrantee will add County as an additional insured on the owner's property insurance which will be done at the close of escrow, and for renewals of owner's property insurance, through the grant period of June 30, 2027. Subgrantee shall be responsible for securing proper permits for the property(ies) and Subgrantee shall be responsible for any claims and costs associated with improper permitting. This responsibility includes financial responsibility. The development project will be dedicated to serving the Behavioral Health Bridge Housing (BHBH) target population through the grant term of June 30, 2027. After that date, subgrantee will ensure through a deed restriction, the final form and content of which shall be subject to County final approval prior to recordation, that the project sites be used for the provision of housing for individuals experiencing homelessness or at-risk of homelessness for a period of not less than 10 years. The subgrantee shall provide access to the program beds in a manner consistent with the terms and conditions outlined in a separate services contract that will be in effect for the period of July 1, 2026, through June 30, 2027.

The Subgrantee will administer all tasks related to the development of these structures either directly or through separate contracts and/or agreements with other organizations in compliance with all applicable federal, state, and local rules and regulations governing these funds, and in a manner satisfactory to the Grantee.

Program Delivery

Activity 1: Acquire, rehabilitate, and deliver project aligning with BHBH Program Plan, as approved by the Grantor, and receive a certificate of occupancy for project sites, (which reflect a minimum of 20 beds at time of this contract) by June 30, 2027. The configuration of these units will be spread across two or more sites, and the housing must comply with all zoning and use requirements of the City of Grass Valley. Subgrantee shall record a deed restriction, the final form and content of which shall be subject to County final approval prior to recordation, for a period of 10-years stating that the property prioritizes households experiencing homelessness or at-risk of homelessness for placement in the homes.

A kickoff meeting will occur with Subgrantee Staff and the County Staff following the execution of this contract. The meeting will be held to review the project requirements and administrative expectations outlined in the grant contract documents and other applicable grant source documents and authorizing statutes to ensure regulations and requirements are met through the project development phases. Communication directives, payment processing, project signoffs, reporting, environmental requirements, procurement, and other required steps will be reviewed, discussed and assignments will be provided at this meeting.

The Subgrantee shall:

- Prepare bid notices and conduct Subgrantee bid process
- Establish construction contracts with awarded firm(s) with licensed, insured, and bondable Subgrantee(s) based on a permitted set of construction plans with a licensed, insured, and bondable general Subgrantee for an amount consistent with the costs in the approved project budget.
- Work with the City of Grass Valley to obtain all required building, local use, and fire clearance or other required building permits or approvals .
- Maintain, and/or require general contractor to maintain, and provide certificates of insurance for required insurance, as specified in Exhibit C of this contract, and specified within the contract between the County and Department of Health Care Services/Advocates for Human Potential regarding BHBH funding.
- Manage construction project and approve payment requests.
- Certify that the Subgrantee and any of their respective subgrantees, shall comply with all applicable federal, state, and local laws. These include but may not be limited to: Adherence to the accessibility requirements set forth in California Building Code Chapter 11A and Chapter 11B and the Americans with Disabilities Act, Title II.
- Certify the use of Prevailing wage requirements for construction projects in the State of California (Lab. Code, Sec. 1720 et seq.). The certification shall (a) verify that prevailing wages have been or will be paid, b) verify that labor records will be maintained and made available to the grantee and/or any agency designated by the grantor or its affiliates upon request, and (c) be signed by the general Subgrantee(s)

Activity 2: Community Engagement

Coordinate community engagement with the area impacted by the construction project to ensure that neighbors and business are apprised of the project and have the ability to contact the subgrantee with any questions and concerns.

B. General Administration

The Subgrantee shall provide all BHBH Program-required financial oversight and grant reporting for the development project to the Grantee, including all program-specific administrative, monitoring and reporting requirements specified in the BHBH administrative requirements and in the contract between the Grantee and the Department of Health Care Services regarding this BHBH Round 3 grant.

C. Levels of Accomplishments – goals and performance measures

<i>Prepare & Issue Home Builder/Subgrantee RFP</i>	<i>7/01/26</i>
<i>Bidding & Bid Review Completion</i>	<i>8/29/26</i>

<i>Negotiate Contract & Make Award</i>	<i>9/05/26</i>
<i>Design Completion and Issue of Permits</i>	<i>11/31/26</i>
<i>Commence rehabilitation of acquired site(s)</i>	<i>12/01/26</i>
<i>Final Site & Interior Work Completion</i>	<i>5/30/27</i>
<i>Certificate of occupancy</i>	<i>6/30/27</i>

D. Performance Monitoring

The Grantee will monitor the performance of the Subgrantee against goals and performance standards as stated above. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subgrantee within fourteen (14) days after being notified by the Grantee, contract suspension or termination procedures will be initiated.

II. TIME OF PERFORMANCE

Services of the Subgrantee shall start on the 1st day of May 2026 and end on the 30th day of June 2027

EXHIBIT B
SCHEDULE OF CHARGES AND PAYMENTS

III. BUDGET

BHBH Project Acquisition and Development Project

Development Planning, Permits & Fees Cost**	\$ 253,250
Property Acquisition*	\$ 1,156,000
Renovations/Installation Cost**	\$ 770,527
Initial Furniture, Equipment & Appliance Cost	\$ 20,000
Other Start-up Infrastructure Cost**	\$ 280,775
Administrative Costs (up to 10%)	\$ 275,618
Total	\$ 2,756,170

Indirect charges are not allowed. In addition, the Grantee may require a more detailed budget breakdown than the one contained herein, and the Subgrantee shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to the budget must be approved in writing by both the Grantee and the Subgrantee.

IV. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$2,756,170. Drawdowns for the payment of eligible expenses shall be made against the line-item budgets specified in Paragraph III herein and in accordance with performance. Expenses for general administration shall also be paid against the line-item budgets specified in Paragraph III and in accordance with performance. With the submission of original monthly bills, together with proper support documentation, for the services described in Section A. of this Agreement, the Subgrantee will be reimbursed on a monthly basis.

*Upon documentation of estimated real estate transactional costs with a preliminary escrow closing statement, County will approve payment to the Title Company in the final agreed upon amount. Payment will be transferred via wire to the escrow account. Any additional costs incurred outside of escrow and as identified above may be submitted to the County as a request for reimbursement.

**For these items a 50% advance per property can be requested based on the submission of purchase orders or other documentation stating projected cost in advance of work being performed. Other 50% will be a reimbursement and will be net of any advance received.

EXHIBIT C INSURANCE REQUIREMENTS

Insurance. Subgrantee shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Subgrantee, its agents, representatives, or employees. Coverage shall be at least as broad as:

1. **Commercial General Liability CGL:** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Subgrantee has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage. The Automobile Liability policy shall be endorsed to include Transportation Pollution Liability insurance MCS-90, covering materials to be transported by Subgrantee pursuant to the contract, applicable only when services involve transporting hazardous materials.
3. **Workers’ Compensation:** Insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease. SUBGRANTEE AFFIRMS UNDER PENALTY OF PERJURY THEY ARE INDEPENDENT AND WITHOUT EMPLOYEES. SUBGRANTEE AFFIRMS THEY CARRY HEALTH INSURANCE POLICY, HEALTHCARE SERVICE PLAN, OR DISABILITY INSURANCE COVERING SUBGRANTEE FOR BODILY INJURY OR DISEASE. SUBGRANTEE FURTHER AGREES TO WAIVE ALL RIGHTS TO WORKERS’ COMPENSATION BENEFITS FOR ANY ACCIDENT FOR BODILY INJURY OR DISEASE. SUBGRANTEE HEREBY GRANTS TO COUNTY A WAIVER OF ANY RIGHT TO SUBROGATION WHICH ANY INSURER OF SAID SUBGRANTEE MAY ACQUIRE AGAINST THE COUNTY BY VIRTUE OF THE PAYMENT OF ANY LOSS UNDER SUCH INSURANCE.
4. **Professional Liability (Errors and Omissions):** Insurance covering **Subgrantee’s profession** with limit no less than **\$1,000,000** per occurrence or claim, **\$2,000,000** aggregate.
5. **Cyber Liability:** Insurance, with limit not less than **\$2,000,000** per occurrence or claim, **\$2,000,000** aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Subgrantee in this Contract and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.

If Subgrantee maintains broader coverage and/or higher limits than the minimums shown above, County requires and shall be entitled to the broader coverage and/or the higher limits maintained by Subgrantee. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to County.

Other Insurance Provisions:

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured Status: County, its officers, employees, agents, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of the work or operations performed by or on behalf of Subgrantee including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to

Subgrantee's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 25, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used.)

2. **Primary Coverage** For any claims related to this contract, **Subgrantee's insurance shall be primary** insurance primary coverage at least as broad as ISO CG 20 01 04 13 as respects County, its officers, employees, agents, and volunteers. Any insurance or self-insurance maintained by County, its officers, employees, agents, and volunteers shall be excess of Subgrantee's insurance and shall not contribute with it.
3. **Notice of Cancellation** This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to County.
4. **Waiver of Subrogation** Subgrantee hereby grants to County a waiver of any right to subrogation which any insurer or said Subgrantee may acquire against County by virtue of the payment of any loss under such insurance. Subgrantee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not County has received a waiver of subrogation endorsement from the insurer.
5. **Sole Proprietors** If Subgrantee is a Sole Proprietor and has no employees, they are not required to have Workers Compensation coverage. Subgrantee shall sign a statement attesting to this condition, and shall agree they have no rights, entitlements or claim against County for any type of employment benefits or workers' compensation or other programs afforded to County employees.
6. **Deductible and Self-Insured Retentions** Deductible and Self-insured retentions must be declared to and approved by County. County may require Subgrantee to provide proof of ability to pay losses and related investigations, claims administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or County.
7. **Acceptability of Insurers:** Insurance is to be placed with insurers authorized to conduct business in the State with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to County.
8. **Claims Made Policies** if any of the required policies provide coverage on a claims-made basis:
 - a. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - b. Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
 - c. If the coverage is canceled or non-renewed, and not replaced with another **claims-made policy form with a Retroactive Date**, prior to the contract effective date, Subgrantee must purchase "extended reporting" coverage for a minimum of **five (5)** years after completion of contract work.
9. **Verification of Coverage** Subgrantee shall furnish County with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to County before work begins. However, failure to obtain and provide verification of the required documents prior to the work beginning shall not waive Subgrantee's obligation to provide them. County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
10. **Subgrantees** Subgrantee shall require and verify that all Subgrantees maintain insurance meeting all the requirements stated herein, and Subgrantee shall ensure that County is an additional insured on insurance required from Subgrantees. For CGL coverage Subgrantees shall provide coverage with a format at least as broad as CG 20 38 04 13.
11. **Special Risks or Circumstances** County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.
12. **Conformity of Coverages** If more than one policy is used to meet the required coverages, such as an umbrella policy or excess policy, such policies shall be following form with all other applicable policies used to meet these minimum requirements. For example, all policies shall be Occurrence Liability policies, or all shall be Claims Made Liability policies, if approved by County as noted above. In no cases shall the types of policies be different.
13. **Premium Payments** The insurance companies shall have no recourse against County and funding agencies, its officers, and employees or any of them for payment of any premiums or assessments under any policy issued by a mutual insurance company.

14. **Material Breach** Failure of Subgrantee to maintain the insurance required by this Contract, or to comply with any of the requirements of this section, shall constitute a material breach of the entire Contract.
15. **Certificate Holder** the Certificate Holder on insurance certificates and related documents should read as follows:

County of Nevada
950 Maidu Ave.
Nevada City, CA 95959

Upon initial award of the Contract to your firm, you may be instructed to send the actual documents to a County contact person for preliminary compliance review.

Certificates which amend or alter the coverage during the term of the Contract, including updated certificates due to policy renewal, should be sent directly to Contract Administrator.