

STANDARD AGREEMENT - AMENDMENT

STD 213A (Rev. 4/2020)

☒ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED 22 PAGES

AGREEMENT NUMBER

19-CDBGDR17-001-A

AMENDMENT NUMBER

3

Purchasing Authority Number

2240

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

Department of Housing and Community Development

CONTRACTOR NAME

Horne, LLP

2. The term of this Agreement is:

START DATE

5/29/2020

THROUGH END DATE

5/28/2025

3. The maximum amount of this Agreement after this Amendment is:

\$17,514,770.40 Seventeen Million, Five Hundred Fourteen Thousand, Seven Hundred Seventy Dollars and Forty Cents

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

A. This Amendment extends the term date from 5/29/2020 through 5/28/2023 to 5/29/2020 through 5/28/2025 and adds funds due to time extension.

B. Exhibit A, Authority, Purpose, and Scope of Work, is hereby deleted in its entirety and replaced with a new Exhibit A, Authority, Purpose, and Scope of Work, (Rev. 11/2022) attached hereto and made a part hereof.

C. Exhibit B, Budget Detail and Payment Provisions, is hereby deleted in its entirety and replaced with a new Exhibit B, Budget Detail and Payment Provisions, (Rev. 11/2022) attached hereto and made a part hereof.

Changes to the Exhibits are shown using bold for additions and strikethrough for deletions.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Horne, LLP

CONTRACTOR BUSINESS ADDRESS

1215 19th Street Northwest, 3rd Floor

CITY

Washington

STATE

DC

ZIP

20036

PRINTED NAME OF PERSON SIGNING

Anna Stroble

TITLE

Engagement Partner

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

11/28/22

STD 213A (Rev. 4/2020)

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AGREEMENT NUMBER	AMENDMENT NUMBER	Purchasing Authority Number
19-CDBGDR17-001-A	3	2240

STATE OF CALIFORNIA



CONTRACTING AGENCY NAME Department of Housing and Community Development				
CONTRACTING AGENCY ADDRESS 2020 West El Camino Avenue, Suite 130		CITY Sacramento	STATE CA	ZIP 95833
PRINTED NAME OF PERSON SIGNING Melissa Cisneros		TITLE Section Chief, Contract Services		
CONTRACTING AGENCY AUTHORIZED SIGNATURE Melissa Cisneros  Digitally signed by Melissa Cisneros Date: 2022.11.29 14:19:04 -08'00'		DATE SIGNED		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL 		EXEMPTION (If Applicable)		

EXHIBIT A

AUTHORITY, PURPOSE AND SCOPE OF WORK

1. Horne LLP, hereafter referred to as the ("Contractor"), agrees to provide to the Department of Housing and Community Development, hereafter referred to as ("HCD" or "Department") with the implementation and administration of ReCover California Program ("ReCoverCA") (the "Program") and potentially expand those services to accommodate other similar programs, including programs resulting from future disasters and/or future programs through federal or state funding, or other special grants ("Work") as described herein.
2. Work shall be provided throughout the state, during the hours of 8:00 am to 5:00 pm, Monday through Friday, excluding State observed holidays, as applicable.
3. The Representatives during the term of this Agreement will be:

Department of Housing and Community Development	Horne, LLP
Section/Unit: Division of Federal Financial Assistance (DFFA)/CDBG-DR	Project Manager: Anna Stroble
*Contract Manager: Sue Naramore Stacy Rodgers	Title: Engagement Partner
Address: 2020 West El Camino Avenue, Suite 500- 200 Sacramento, CA 95833	Address: 1215 19 th Street Northwest 3 rd floor Washington, DC 20036
Bus. Phone No.: (916) 263-0374 841-6268	Bus. Phone No.: 601-260-5387
Email: susan.naramore@hcd.ca.gov Stacy.rodgers@hcd.ca.gov	Email: anna.stroble@HORNEllp.com

**HCD will have the right to change the Contract Manager from time to time throughout the term of this Agreement. Such change will not require the consent of Contractor. HCD will notify Contractor in writing of the name of the new Contract Manager within 30 days of his or her appointment to such position. Such written notice will not constitute, nor require, an amendment to this Agreement.*

4. OVERVIEW

This Agreement is issued by the California Department of Housing and Community Development, Disaster Recovery Section (HCD-DRS) to support the implementation and administration of the Program and potentially expand those services to accommodate other similar programs, including programs resulting from future disasters and/or future programs through federal or state funding, or other special grants. The Contractor will be

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responsible for successfully implementing and completing processing on all applications, including entering into appropriate arrangements with subcontractors and third-party vendors, ensuring appropriate and accurate disbursement of funds, potentially disbursing funds, monitoring compliance, and completing all other activities required to close out the Program. The Contractor shall coordinate to maximum extent possible with local disaster case management providers to locate and serve eligible clients for the Program.

The Contractor will also be responsible for working with the Construction Design-Build, Management Services Contractor (CDBMS), which will be awarded in a separate Request for Proposal. The Contractor will be responsible for implementing and integrating the CDBMS processes within the Scope of Work, for all applicable solutions.

For context, the CDBMS responsibilities will include, but not be limited to, the following within the Scope of Work:

- Completing scope of work and damage assessment of homeowners. They will maintain a complete understanding of all applicable Program policies, requirements, state and local codes, including California Building Standards Code,(CBS)Chapter 7a, and California Residential Code (CRC) Section R337, and evaluating protocols.
- Conducting the initial inspection of an applicant's damaged home where a damaged assessment and/or complete scope of work assessment will be completed using web-based, industry standard residential construction cost estimating software. The inspection will address any environmental on-site requirements necessary to complete the final clearance and allowance for notice to proceed. Additionally, subsequent inspections focused on the contractual draw requests for applicants participating in Solution 2, the homeowner managed solution, are required. The scope of work assessment and environmental review report and clearance must be uploaded in the program management software (eGrants) for task delivery to be considered complete. FEDERAL ENVIRONMENTAL REVIEW RECORD (ERR)- TIER I AND II SITE SPECIFIC STATE ENVIRONMENTAL REVIEWS PER CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) The CDBMS will provide the appropriate level of review as needed. The Contractor shall ensure that all CEQA reviews are completed within the same timeframes as the HUD mandated environmental reviews. LEAD BASE PAINT AND ASBESTOS TESTING – The CDBMS will provide these tests and associated remediation on an as-needed basis, however, since most properties were fully destroyed, the need for these tests may be low.

Tasks to be accomplished by the Contractor, under this contract, will be addressed with associated deliverables, performance measures, milestones, and timelines, among other requirements. The Contractor will be directly responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under this Contract. The scope of work presented is based upon circumstances existing currently.

The Contractor will be responsible for assisting HCD-DRS in drafting and maintaining current versions of all program policies and procedures for the Program.

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The Contractor will maintain close coordination and cooperation with HCD-DRS's Prime Grant Management Contractor (PGMC) responsible for assisting HCD-DRS with overall HUD grant management, and a Quality Assurance/Quality Control (QA/QC) provider, if any, with anticipated communication on a daily basis. The PGMC (and QA/QC, if any) provider(s) will be procured via a separate RFP(s) for the purposes of monitoring performance and internal controls, related to process management and grant management services. Reporting requirements may be included within one or both of these contracts to provide reporting requirements for HCD-DRS and Contractor.

The Program will provide eligible homeowners the choice of two (2) Solutions, with the possibility of a third:

- A. SOLUTION 1. Turnkey (Full Service) solution whereby the Contractor provides case management and program compliance oversight, and the CDBMS contractor evaluates the damage and creates the scope of work, then performs or contracts for all needed services-environmental reviews/lead base paint testing, construction, etc. to bring the dwelling to a reasonable level of livability.
- B. SOLUTION 2. Homeowner Managed Construction where the owner has already engaged a construction contractor or chooses to engage in a construction contract independently. The Contractor will provide case management and program compliance oversight, and the CDBMS will provide environmental services, as needed.
- C. SOLUTION 3. NOT CURRENTLY AVAILABLE BUT MAY BE, PENDING SURVEY RESULTS - Reimbursement solution where the owner has already restored the dwelling to livability or incurred construction costs and can provide itemized invoices and proof of payment for the eligible work performed. The Contractor shall confirm the work performed conforms to the level of actual fire damage and determine if any additional work is required to restore the home to minimum ReCoverCA Program standards. The Contractor would be charged with verifying invoices, applying reasonable cost standards to the invoices and paying the owner any amounts due, less any duplicate benefits received by the homeowner.

*Note that should Solution 3 become available, Solutions 1 and 3 or 2 and 3 may be combined for certain applicants, depending on their individual situation.

5. GENERAL REQUIREMENTS FOR SOLUTIONS 1, 2 and 3

- A. The Contractor will explain to the homeowner what damages are eligible for the program and shall obtain all necessary documentation which may include pre-construction pictures demonstrating the fire related damages and the pre-construction condition of elements identified for inclusion in the proposed project scope of work.
- B. The Contractor will explain homeowner's options regarding the two, possibly three, available solutions, so that the homeowner may make an informed decision as to which solution to pursue.

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6. CONTRACTOR'S GENERAL REQUIREMENTS FOR ALL SOLUTIONS

- A. The Contractor must ensure all staff and subcontractors know and enforce housing policies required by HCD-DRS's ReCoverCA Program and HUD (including, but not limited to, those addressing mobile homes, minimum standards, mold remediation, lead based paint, asbestos, WUI codes, floodplain requirements etc.). Contractor must also both ensure and document compliance with same requirements.
- B. The Contractor shall conduct criminal and financial background checks for all personnel to be utilized for the Program and ensure that only those who can successfully pass said checks are engaged on the project.
- C. The Contractor shall provide all staff and subcontractors working outside of established Program offices with identification, including a standard color collared shirt and photo identification. The words: 'ReCoverCA Program' and 'Contractor' are required to be clearly visible on both the shirt and photo identification badges, which shall be designed to discourage and reduce chances of counterfeiting.
- D. All Contractor staff and subcontractors meeting with homeowners must possess and present at all times approved work orders showing authorization to survey and conduct work on their homes. Work orders must clearly identify the scope of work and anticipated timelines for work completion as the Contractor must also provide documentation to the homeowner explaining the rights of the homeowner throughout the construction process.
- E. The Contractor will establish an escalation and resolution protocol for any homeowner issue resulting from contract operations and engagement, and shall keep the State informed as to the progress of all complaints.
- F. The Contractor will report to the State any evidence of fraud or potential criminal activity as soon as possible but no later than two (2) workdays from discovery.
- G. The HCD-DRS expects the Contractor to provide competent and qualified staff to work on the scope of services under this contract. The HCD-DRS reserves the right to prohibit unqualified or incompetent staff of the Contractor from assisting with the implementation and administration of the "Program(s)". No key personnel may be assigned to the resulting Contract without the written consent of the State. When determining staffing levels, the Contractor must anticipate that personnel will work a maximum of 40 hours per week onsite to complete the assigned tasks. Any hours in excess of 40 hours per week require approval by the State and/or State Program Manager (SPM) and proof of payment to the personnel who work the excess hours. The Contractor will be paid at the same agreed upon billing rate listed in Attachment 3 (or lower negotiated rates) for all units/hours worked. The Contractor will be required to coordinate with the State on staffing during recognized State and Contractor holidays.

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7. TASKS AND SERVICES

This section provides a detailed list of tasks and services the Contractor will be responsible for providing under the contract. The Contractor will be responsible for entering information related to these tasks in the applicable State-approved systems of record (eGrants and Grants Network) on a daily basis. The Contractor will be required to coordinate with other programs being administered by the HCD-DRS as required and at summary level, these tasks include:

A. Task 1 - Start-up of ReCoverCA Program

B. Task 2 - ReCoverCA Services

- 2.1. Program Operations and Administration
- 2.2. ReCoverCA Case Management Services
- 2.3. Program Administration Services
- 2.4. Accounting/Reporting and Closing
- 2.5. Applicant Relations
- 2.6. Document Management
- 2.7. Anti-Fraud, Waste, and Abuse (AFWA)
- 2.8. Public Relations/Outreach
- 2.9. Policy/Training
- 2.10. Grant Recapture
- 2.11. Reporting

C. Task 3 - Close-Out of ReCoverCA Program

8. Task 1 – Start-Up of ReCoverCA Program

- A. At the direction of the State Program Manager (SPM) or designee, the Contractor will be responsible for performing the tasks identified below which may include, but are not limited to, the following:
- 1) Complete the operational plan and cash flow projections for the expenses of the Program and assistance payments, using Community Development Block Grant – Disaster Recovery (CDBG-DR) funds; to include controls to avoid fraud, waste and mismanagement of funds, controls to eliminate duplication of benefits from insurance companies, Small Business Administration, Federal Emergency Management Agency, etc., processes for determining damage assessment and methods for ensuring ownership of property (tax accessor information) along with titles being free and clear (if required by the Program), review legal agreements.

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All procedures and systems shall be in accordance with federal and state regulations and in conformance with the State's contractual agreement with HUD.

- 2) Incorporate the Construction Design-Build, Management Services into the operational plan, to include pre-award site inspections, damage assessments, cost to rebuild (square footage assessment) and the allowable costs Scope of Work (SOW) to restore the home to the HCD-DRS approved standards, for all homeowners. The Program Management Services Contractor must coordinate efforts with the Construction Design-Build, Management Services Contractor to ensure and certify that construction work was done within the approved parameters of the SOW.
- 3) The program will provide Policies and Procedures for the ReCoverCA Program. The Contractor will be fully responsible for managing the document once they are on board including tracking updates to program policies, procedures, forms, agreements, and checklists.
- 4) Compile, analyze all homeowner assistance survey data, and make recommendation to HCD-DRS/State Program Manager and State Program Specialist for best programming option to address survey results.
- 5) If needed, in consultation with HCD-DRS staff and Prime CDBG-DR Grant Management Contractor, provide for review and final submission any needed programmatic waivers and/or amendments (substantial or non-substantial) to the Action Plan which allow the State needed flexibility to carry out the ReCoverCA Program mission. Initial draft(s) due to State Program Manager within five (5) business days after determination is made that waivers/amendments are needed.
- 6) As directed by the State, required to secure space and equipment necessary to stand up and operate temporary and/or "pop-up" Housing Assistance Events across multiple days or weeks in the disaster impacted areas. The Contractor should plan on at least one Housing Assistance Event in each of the impacted counties as appropriate during both the survey and application phases of the Program. The Contractor will be responsible for all costs of operating the events, but approval and subsequent reimbursement is dependent upon local need, workload, and cost reasonableness.
- 7) Secure the necessary personnel and equipment to be able to take applications in-person and over the phone in a timeframe agreed to in writing by HCD and the Contractor. (This has been amended to reflect the uncertainties of timing caused by the COVID-19 crisis).
- 8) Develop procedures and forms for obtaining privacy releases, both in-person at Housing Assistance Events and from applicants who reside in remote locations.

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- 9) Complete the hiring of at least 40% of the personnel (including personnel of subcontractors) within thirty (30) days of the contract start date required to operate the programs.
- 10) Enter into contracts, which are provided to and approved by the State, with all subcontractors required to operate the Program within thirty (30) business days of the start date of the contract.
- 11) Design and launch a public education and outreach campaign which will begin within 30 calendar days after the contract start date, and continue actively for six months, for the purpose of encouraging all eligible homeowners to apply for assistance.
- 12) Provide information about the Program. All final documents provided by the Contractor must be compliant with Section 508 ADA access and State of California AB 434. AB 434 requires WCAG 2.0 compliance,
- 13) Make ready all electronic documents, with necessary protections of privacy.
- 14) Within the full program policies and procedures manual, include policies and procedures for:
 - Verifying other sources of funds (Duplication of Benefits) for approval by HCD-DRS,
 - Determining scope of work required for construction completion (in coordination with Construction Design-Build, Management Services contractor),
 - Safeguarding assets and managing assets, and
 - Maintenance of files for duration of the contract and delivered to HCD in a manner that is agreed upon by HCD Program Manager and the vendor.
- 15) At the request of HCD/HCD-DRS, make senior managers of the Proposer or subcontractor firms available for media interviews, meetings with federal officials, and other necessary external meetings, each instance of which must be requested by and/or approved by a designated representative of the State.
- 16) Any other tasks deemed mission-critical by the State.

9. Task 2 – Administer the ReCoverCA Program

A. Task 2.1 – Program Operations and Administration

- 1) Oversee program operations and administration related to the Program to meet the performance measures, and timelines prescribed in the work plan.

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- 2) Work closely with the State and its designees in preparing and submitting an overall project plan for the Program, manage day-to-day operations, improve processes for quality and efficiency, and implement policy changes.
- 3) Provide reports to program management, via email, that reflect the major activities for the reporting period as specified by the HCD-DRS (e.g. monthly, quarterly).
- 4) Communicate proposed quality assurance/quality control procedures and potential Program risks, issues, statuses, recommendations, and resolutions to the State.
- 5) Perform routine quality checks of the operational/functional areas using a standard checklist, to be approved by the SPM to ensure that applications are processed according to approved policies. Report the results and recommendations to the SPM and SPS on a bi-weekly basis, via email and during a weekly program update call.
- 6) Track and complete inventory of all items purchased with Program funds or provided by the State.
- 7) Scale staff to efficiently run the Program.
- 8) Coordinate with the HCD-DRS and other external entities, to conduct research and provide information related to the Program.

B. Task 2.2 – ReCoverCA Case Management Services

- 1) Take applications from homeowners via web forms, telephone and face-to-face interviews.
- 2) Through personnel acting as Case Managers provide information about the program and answer applicants' questions.
- 3) Verify the ownership and occupancy of each property subject to the application. Ensure that the owner has right title and interest to the property (using tax assessor data), identify all lien holders.
- 4) Conduct Duplication of Benefit analysis and size the grant by securing data sources and verifying sources of funds (e.g. Insurance & SBA) that were paid to applicant as compensation or other settlements or write-offs in connection with the applicant's disaster related property losses, which must be deducted from the amount of the State's assistance, namely: property and hazard insurance payments, any disaster related settlement funds for housing, Small Business Administration (SBA) loans as necessary, and the portion of any FEMA Individual (household) Assistance Payments received by applicants to compensate for real property losses.
- 5) Incorporate the delivery of the pre-award site inspections, site-specific environmental work, damage assessment, cost to rebuild (square footage

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- assessment) or the necessary repairs in the allowable cost Scope of Work (SOW) to restore the home to the HCD-DRS approved standards, in order to communicate these services to the applicants. Program Management Services will work with CDBMS contractor to ensure and certify that construction work was done within the approved parameters of the SOW.
- 6) Calculate the amounts of assistance due to qualified applicants, prepare all documents related to the commitment and disbursement of this assistance by the State, and forward this documentation to the State.
 - 7) For some or all assistance transactions, file documents in the public records and provide escrow services as instructed by the State.
 - 8) Provide applicants with assistance from a case manager, who will advise homeowners on the following:
 - The implications of choosing the various Solutions under the Program.
 - How to understand and manage financial matters such as insurance payments, FEMA payments, outstanding secured loans, liens, etc.
 - Coordinating with the CDBMS teams.
 - If Solution 2, homeowner managed construction, is selected, an initial advisory session about the tasks involved for the owner will be conducted addressing issues such as: how to avoid being defrauded, professional design and survey services that may be required, how to identify services providers and building contractors through an online registry, and how to manage engagements with those service providers and contractors.
 - 9) Ensure that the grant calculations are entered in the system of record as required by the State.
 - 10) Obtain and verify all required calculation inputs that are to be captured in the system of record as required by the State, for each remaining applicant.
 - 11) Communicate with the applicants regarding the status of their application, requests for additional information, or problems that may arise in conjunction with the application.
 - 12) Generate award documents and schedule closings/acknowledgment of grant award meetings.
 - 13) Process applications in accordance with the Program policies, procedures, and business processes.
 - 14) Coordinate with applicants to resolve issues impacting previous and/or future grant disbursements.
 - 15) Document all communications with the applicants regarding the status of their application and subsequent related processes, requests for additional

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information, or problems that may arise in conjunction with the application in the system of record.

- 16) Develop recommendations to ensure that applicants receive the most favorable benefit available.

C. Task 2.3 – Program Administration Services

- 1) These services will include managerial tasks necessary for the management and administrative aspects of the project that shall include the following elements:
 - Responsible for ensuring that the Program components are administered in a way that is completely consistent and compliant with all applicable Federal and State statutes, regulations, and any other such guidance as may be issued by a Federal government or State governmental agency with jurisdiction.
 - Program planning, organization, contracting, scheduling and reporting to HCD-DRS, by completing a comprehensive set of written operational procedures explaining how, and by whom, all the Program elements necessary to meet the Program's goal to restore the damaged properties of eligible Homeowners will be accomplished. This must include the interaction of CDBMS contractor.
 - Research, analysis, acquisition, and maintenance of Graphic Information System (GIS) data.
 - Administrative, accounting and recordkeeping functions that are compliant with all federal, state and program requirements.
 - Training for specific workflow procedures.
 - Costs for filing public notices and fees paid to agencies
 - Title and escrow services
- 2) Coordination with HCD-DRS – The Contractor will maintain a close coordination with HCD-DRS as needed, with anticipated communication daily. HCD-DRS will have “real time” access to all program data through web-based tools and management systems. In addition, the Contractor will coordinate with HCD-DRS and appropriate contractors to ensure the appropriate level of environmental review is performed and no work is conducted without HCD-DRS concurrence or authorization.

D. Task 2.4 – Accounting/Reporting and Closing

- 1) Account for and reconcile all funds that are (a) requested and received from the State, (b) disbursed to applicants, (c) in process or in suspension, (d) returned by applicants and their insurance companies to the Program (through the insurance

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- subrogation process), (e) returned as a result of grant recapture, and (f) returned by applicants and recipients who decide to no longer participate in the Program (g) Record confirmation of EFT and checks cleared. All funds should be accounted for through eGrants and an escrow account set up by the Contractor. The escrow account must meet standards agreed to by HCD Program Manager and the Contractor in writing.
- 2) Administer the collection and processing of insurance subrogation funds; review and account for subrogation funds according to the Program policies and procedures; and, record the subrogated funds in the State's system of record.
 - 3) Provide reconciliation reports and other schedules and reports to the SPM on a prescribed periodic basis established by the State, via email.
 - 4) Provide the State with activity, financial and progress reports as required to support billing for services and preparation of reports for State monitoring agencies and HUD.
 - 5) Execute disbursement and draw requests according to Program policies, which at a high level include:
 - Notify the State of application approval and coordinate with the State for final approval.
 - Address questions and issues related to each applicant's disbursement.
 - Coordinate funding requests with the State.
 - Process and approve payments submitted by the Construction Design-Build, Management Contractor
 - Record and document all payments through Electronic Funds Transfer (EFT) confirmations or cleared checks.
 - 6) Establish escrow accounts for applicants required to contribute funds towards the Construction Activities. The HCD Project Manager will support HCD in the review of invoices and determination of appropriate funding sources. These funds must be disbursed prior to draw request of CDBG-DR funds.

E. Task 2.5 – Applicant Relations

- 1) Provide Housing Assistance (HA) staff to support inquiries made by the applicants via walk-ins, appointments, phone, email, or online submission. The Contractor will provide as Other Direct Cost (ODC) the necessary equipment, including a toll free phone number to accept and log all inquiries. HA support will be provided from 8:00 AM to 5:00 PM, Pacific, Monday through Friday, excluding State holidays.
- 2) Perform routine functions such as fielding and routing inbound calls, making outbound calls to follow up with qualified applicants identified during targeted

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mailings, schedule follow up appointments, determine the status of an applicant, gather required documentation from the applicants, and assemble in the required format in the system of record.

- 3) Track all inquiries in the applicable system of record.
- 4) Coordinate with other functional areas to draft correspondence for targeted mass mailings and/or applicant status updates for State approval.
- 5) Conduct applicant file research by reviewing internal documentation, regulations and policies, and any additional supporting documentation that has been submitted by the applicant.
- 6) Develop a mediation (appeal) process to resolve disputes homeowners encounter.

F. Task 2.6 – Document Management

- 1) Store and retrieve applicant documents, applicant-related emails, written correspondence, training material, decision logs, and Program policy and procedures (along with information leading up to the policy and procedures decisions) in an electronic environment for quick retrieval according to State and Federal guidelines for record retention. All documents and materials are the State's property.
- 2) Process, scan and upload documentation into the respective systems of record and/or a virtual location to be determined by the State. This may include documentation for existing applications and any other documentation resulting from quality assurance reviews.
- 3) Perform periodic file inventory.
- 4) Perform mail intake services.
- 5) Coordinate with other functional areas to execute targeted mass mailings (letter campaigns).
- 6) Document and store records electronically for every meeting between Contractor and the State and provide such documentation to the State.

G. Task 2.7 – Anti-Fraud, Waste and Abuse (AFWA)

- 1) Perform process management, file review, reporting and document management, as required for the following
 - Internal and external audits (federal, State and Legislative);
 - Analytic outlier reports;
 - Potential fraud investigations; and,

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- Responses to public record request(s), subpoenas, and prosecutorial support.
- Develop and manage internal quality control processes to ensure consistency among a large number of staff.
- Develop anti-fraud, waste and abuse policies and procedures, subject to State approval.
- Report findings to the State.

H. Task 2.8 – Public Relations/Outreach

- 1) Coordinate outreach efforts, including call-out and letter campaigns, in accordance with an outreach plan to be developed by the Contractor and approved by the SPM. All final outreach materials will be compliant with Section 508 ADA access and State of California AB 434 as necessary utilizing the Adobe Pro DC Accessibility Tool, a color contrast analyzer tool such as: <https://developer.paciellogroup.com/resources/contrastanalyser/>, and a screen reader tool such as <https://www.nvaccess.org/> to determine compliance.

I. Task 2.9 – Policy and Training

- 1) Develop training administration procedures that ensure uniform and efficient training for all staff, including HCD-DRS staff.
- 2) Maintain, update, and develop a centralized electronic repository to store current and historical policies and procedures, system design training materials and release notes, and all other related materials.
- 3) Provide staff on-boarding process for new and current hires.
- 4) Cross-train the Program staff as required
- 5) Coordinate, integrate, and manage the training activities of all staff responsible for providing the Program services.
- 6) Coordinate, integrate, and manage training activities of all staff responsible for communicating construction management documentation and services.
- 7) Review the Program procedures to ensure that all training materials follow the Program policies and procedures, updating materials as necessary.

J. Task 2.10 – Grant Recapture

- 1) Develop grant recapture procedures.
- 2) Implement recapture process for applicants that may be required to return funds under the Program rules.

K. Task 2.11– Reporting

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- 1) Create reports to track performance, inventory, staffing levels and status of homeowners throughout the process.
- 2) Prepare pipeline report monthly which provides data required by HCD-DRS to monitor the progress of the Program.
- 3) Prepare flow charts of Program processes.
- 4) Create charts and maps of designated areas as requested by HCD-DRS.
- 5) Reconcile all federal funds requested and drawn from HUD, as applicable for the Program and awarded to grant recipients.

10. Task 3 – Close-Out of ReCoverCA

- A. Close out files for all applications and closed transactions, including electronic files related to all stages of processing applications from the Program.
- B. Provide final program activity and financial reports to the SPM and SPS.
- C. Provide all other documentation and certifications required by the contract and terms of the federal funding to the SPM and SPS.
- D. Participate in and cooperate with all activities associated with any transition to a successor staff, including but not limited to education and training.

11. Deliverables

- A. Tasks to be accomplished under the contract will be addressed in contract and communicated deliverables, performance measures, and timelines, among other HCD-DRS requirements.
- B. The Contractor shall work with the HCD-DRS management and HCD's CDBG-DR Prime Grant Management Services Consultant to determine which metrics shall be measured and monitored for adequate contract performance. The Contractor should also develop processes and systems for routinely measuring and reporting deliverables and evaluation results. These processes should also include goal setting and process improvement to foster a continuous evaluation and improvement of environment.

12. Key Personnel

Except in the case of a leave of absence, sickness, death, termination or resignation of employment or association, or other circumstances outside the reasonable control of Contractor, the individuals designated to fill any of the Key Staff roles shall not be removed by Contractor from performing their assigned tasks during the period of performance for each such individual without the prior written approval of HCD. HCD recognizes that a resignation or other events may cause Contractor Project team members to be unavailable. The HCD Contract Manager reserves the right to approve

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or deny all the Contractor's proposed replacement project team members designated to fill any one of the Key Staff roles. Any of these proposed replacement staff must have the same or higher-level skills and experience as those requirements stated in the qualification requirements of the RFP. Contractor must request approval of replacement staff designated to fill any one of the Key Staff roles from the HCD Contract Manager in writing at least 10 business days before they are scheduled to begin work on the project and such replacement staff shall not start on the Project without the HCD Contract Manager's written approval. In addition, the HCD reserves the right to disapprove any additional staff intended to work on the project before they start on the project (independent of whether such Contractor staff fill one of the Key Staff roles).

13. Effective Date and Term

- A. This Agreement is effective May 29, 2020th. The termination date of this Agreement is May 28th, ~~2023~~**2025**, unless extended pursuant to subparagraph B below. No services shall be provided before the effective date, or after the termination date.
- B. This term of this Agreement shall commence on the ~~Agreement Effective Date~~ **May 29, 2020**, and span three (3) years, with six (6) optional extensions not to exceed a total of nine (9) years.

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Agreement Amount

The total amount of this Agreement shall not exceed ~~\$13,614,770.40~~ **\$17,514,770.40**.

- The total amount of this Agreement for work related to the 2017 disasters shall not exceed \$2,963,268.00.
- The total amount of this Agreement for work related to the 2018 disasters shall not exceed \$10,651,502.40.
- **The total amount of this Agreement for work related to the 2020 disasters shall not exceed \$3,900,000.00.**

2. Invoicing and Payment

- A. Contractor shall invoice on a time-and-materials basis, with the total of all invoices not to exceed the amounts shown in Section 5, Budget Detail Tables of this Exhibit.
- B. Contractor shall submit invoices in arrears either on a monthly or quarterly interval.
- C. For services satisfactorily rendered, and upon receipt and approval of the invoices, HCD agrees to compensate the Contractor the invoiced amount.
- D. Invoices must include this Agreement number and a Purchase Order number. The Purchase Order number will be provided at a later time by the Contract Manager. Handwritten Agreement number is not acceptable.
- E. Invoices Submission for Contracts Managed Through Grants Network:
 - 1) The vendor must set up an account in the Grants Network system at www.gn.ecivis.com. The program link will be provided after contract execution.
 - 2) Invoices shall be submitted through the vendor's Grant Network account and will include all supporting documentation as an upload in the Financial Report (reimbursement request).
 - 3) Supporting documentation must include:
 - Invoice summary which include:

EXHIBIT B

- a) The performance period,
 - b) Contract number,
 - c) Purchase order number,
 - d) Names of worker's being included in the invoice broken out by task line item. Their total hours by task must be clear.
 - e) The total amount being invoiced
- Official timesheets for every person (vendor staff and subcontractors) included on the invoice. The timesheet must clearly show the worker's name and hours worked for each day.
 - A clear crosswalk of deliverables/accomplishments for which time is being billed, with a narrative explaining what work was being done during the time being billed. Generally, this is shown as a grid with column headings such as: Date, Task, Employee, Description of Services and Hours.
 - The timesheets and the crosswalk must match staff, tasks, hours, costs and performance period being billed.

3. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the contract, this Agreement shall be of no further force and effect. In this event, HCD shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this contract, HCD shall have the option to either cancel this Agreement with no liability occurring to HCD or offer an agreement amendment to Contractor to reflect the reduced amount.

4. Prompt Payment Clause

Payment will be made in accordance with Chapter 4.5 (commencing with Section 927) of Part 3 of Division 3.6 of Title 1 of the Government Code.

EXHIBIT B

5. Budget Detail Tables

Program Management Services for 2017 Disasters			
Direct Labor Category	Proposer's Hourly Rate	Number of FTEs Needed	Total Cost
Program Management			
Program Director	\$225.00	0.42	\$187,110.00
Senior Manager	\$200.00	1.91	\$764,400.00
Manager	\$170.00	0.21	\$71,400.00
Project Manager/SME	\$250.00	0.07	\$35,700.00
Communication Specialist	\$145.00	0.19	\$54,810.00
Program Marketing: materials, postings for meetings, etc.	\$0.00	0.00	\$0.00
Case Manager	\$107.00	5.12	\$1,096,536.00
Clerical/Admin. Assistant	\$68.00	0.00	\$0.00
TOTAL DIRECT LABOR COST			\$2,209,956.00

Subcontracted Labor Category	Proposer's Hourly Rate	Number of FTEs Needed	Total Cost
Program Director	\$225.00	0.00	\$0.00
Senior Manager	\$200.00	0.00	\$0.00
Manager	\$170.00	1.18	\$399,840.00
Project Manager/SME	\$250.00	0.07	\$33,600.00
Communication Specialist	\$145.00	0.00	\$0.00
Program Marketing: materials, postings for meetings, etc.	\$0.00	0.00	\$0.00
Case Manager	\$0.00	0.00	\$0.00
Clerical/Admin. Assistant	\$68.00	2.35	\$319,872.00
TOTAL SUBCONTRACTED LABOR COST			\$753,312.00

ANNUAL DIRECT LABOR COST	
TOTAL DIRECT LABOR COST	\$2,963,268.00

EXHIBIT B

AVERAGE OF ALL COST CATEGORIES	
DIRECT COSTS (EXCEPT LABOR)	
Equipment and Supplies (Itemized)	
Other Direct Costs (Itemized)	
Travel Costs*	N/A
YEARS 1-3 TOTAL COST <u>for 2017 Disasters</u>	\$2,963,268.00

Program Management Services for 2018 Disasters			
Direct Labor Category	Proposer's Hourly Rate	Number of FTEs Needed	Total Cost
Program Management			
Program Director	\$225.00	0.34	\$153,090.00
Senior Manager	\$200.00	1.83	\$730,800.00
Manager	\$170.00	4.62	\$1,570,800.00
Project Manager/SME	\$250.00	0.11	\$56,700.00
Communication Specialist	\$145.00	0.27	\$79,170.00
Program Marketing: materials, postings for meetings, etc.	\$0.00	0.00	\$0.00
Case Manager	\$107.00	22.26	\$4,763,640.00
Clerical/Admin. Assistant	\$68.00	4.00	\$543,782.40
TOTAL DIRECT LABOR COST			\$7,897,982.40

Subcontracted Labor Category	Proposer's Hourly Rate	Number of FTEs Needed	Total Cost
Program Director	\$225.00	0.00	\$0.00
Senior Manager	\$200.00	0.00	\$0.00
Manager	\$170.00	0.00	\$0.00
Project Manager/SME	\$250.00	2.77	\$1,386,000.00
Communication Specialist	\$145.00	1.01	\$292,320.00

EXHIBIT B

Program Marketing: materials, postings for meetings, etc.	\$0.00	0.00	\$0.00
Case Manager	\$107.00	4.70	\$1,006,656.00
Clerical/Admin. Assistant	\$68.00	.50	\$68,544.00
TOTAL SUBCONTRACTED LABOR COST			\$2,753,520.00

ANNUAL DIRECT LABOR COST	
TOTAL DIRECT LABOR COST	\$10,651,502.40
AVERAGE OF ALL COST CATEGORIES	
DIRECT COSTS (EXCEPT LABOR)	
Equipment and Supplies (Itemized)	
Other Direct Costs (Itemized)	
	N/A
YEARS 1-3 TOTAL COST for 2018 Disasters	\$10,651,502.40

EXHIBIT B

<u>Program Management Services for 2020 Disasters Years 1-3</u>			
Direct Labor Category	Proposer's Hourly Rate	Number of FTEs Needed	Total Cost
Program Management			
Program Director	\$225.00	0.42	\$187,110.00
Senior Manager	\$200.00	1.41	\$566,980.00
Manager	\$170.00	0.21	\$71,400.00
Project Manager/SME	\$250.00	0.07	\$35,700.00
Communication Specialist	\$145.00	0.53	\$154,810.00
Program Marketing: materials, postings for meetings, etc.	\$0.00	0.00	\$0.00
Case Manager	\$107.00	7.53	\$1,612,000.00
Clerical/Admin. Assistant	\$68.00	2.00	\$272,000.00
TOTAL DIRECT LABOR COST			\$2,900,000.00
Subcontracted Labor Category	Proposer's Hourly Rate	Number of FTEs Needed	Total Cost
Program Director	\$225.00	0.00	\$0.00
Senior Manager	\$200.00	0.00	\$0.00
Manager	\$170.00	0.00	\$0.00
Project Manager/SME	\$250.00	.42	\$213,456.00
Communication Specialist	\$145.00	1.00	\$290,000.00
Program Marketing: materials, postings for meetings, etc.	\$0.00	0.00	\$0.00
Case Manager	\$107.00	2.00	\$428,000.00
Clerical/Admin. Assistant	\$68.00	.50	\$68,544.00
TOTAL SUBCONTRACTED LABOR COST			\$1,000,000.00
ANNUAL DIRECT LABOR COST			
TOTAL DIRECT LABOR COST			\$3,900,000.00
AVERAGE OF ALL COST CATEGORIES			

EXHIBIT B

DIRECT COSTS (EXCEPT LABOR)	
Equipment and Supplies (Itemized)	
Other Direct Costs (Itemized)	
Escrow Service Provider	
Title Service Provider	
Travel Costs*	N/A
YEARS 1-3 TOTAL COST for 2020 Disasters	\$3,900,000.00

YEARS 1-3 TOTAL COST for 2017 Disasters	\$2,963,268.00
YEARS 1-3 TOTAL COST for 2018 Disasters	\$10,651,502.40
YEARS 1-3 TOTAL COST for 2020 Disasters	\$3,900,000.00
	\$13,614,770.40
ALL YEARS TOTAL COST for 2017, and 2018, and 2020 Disasters	\$17,514,770.40