
File ID: 2026-01528

10/20/2026

[Contract] Rio Linda Senior Housing Homekey+ Project Lead Service Provider Professional Services Agreement [Published for 10-Day Review 10/08/2026]

File ID: 2026-01528

Location: 2809-2821 Rio Linda Boulevard, District 2

Recommendation: Pass a **Motion** authorizing the City Manager or designee to execute a Professional Services Agreement for supportive services at the Rio Linda Senior Housing Homekey+ Project with TLCS, Inc. dba Hope Cooperative for an initial five-year term and a total not-to-exceed amount of \$3,885,000.

Contact: Ya-yin Isle, City Housing Manager, (916) 808-1869, yisle@cityofsacramento.org; Axel Magallanes, Housing Analyst, (916) 808-1844, amagallanes@cityofsacramento.org, Economic Development Department

Presenter: Not applicable.

Attachments:

- 1-Description/Analysis
- 2-Professional Services Agreement

Additional Description/Analysis

Issue Detail: On May 13, 2025, the Sacramento City Council adopted Resolution No. 2025-0120, authorizing the City to jointly apply for State Homekey+ grant funds for the Rio Linda Senior Housing Project (Project) on behalf of the City of Sacramento and Urban Capital LLC, the developer and co-applicant for a 100-unit permanent supportive housing project on privately owned properties at 2809, 2811, and 2821 Rio Linda Boulevard. Subsequently, on December 2, 2025, the City Council approved Resolution No. 2025-0318 authorizing the City of Sacramento to re-submit a joint application with Urban Capital LLC to the State of California Department of Housing and Community Development (HCD) with an increased award amount of up to \$40 million and formally committing \$3 million of City HHAP funds to the Project for operational costs.

The Project is intended to serve homeless seniors and senior veterans and proposes using 240

square foot Boss Homes that include living space, bathroom and kitchenette, as a cost-containment strategy and a way to quickly bring housing online. The Project would also include some parking, park space, community garden, community rooms, laundry facilities, storage and private office spaces. Alta California Regional Center, an organization serving individuals with specific developmental disabilities and their families in accessing appropriate services, was brought in as a partner organization into the project for 15 units. Alta Regional will fund and provide supportive services for their clients at risk of or experiencing homelessness.

On July 23, 2026, the Governor announced the City's conditional Homekey+ award for the Project, totaling \$31,866,126 in Homekey+ funds for the Project. This award includes funding for capital costs and operating funds for both the veteran and non-veteran units. The selection of a Lead Service Provider (LSP) who meets the Homekey+ experience requirements was a condition of the award. On June 22, 2026, the City released a Request for Qualifications for Professional Services (RFQ # Q2602145103) seeking a LSP to provide on-site supportive services to the tenants of the Project, in accordance with HCD requirements. The City received five responses, and after the selection committee interviewed the top two providers, unanimously selected TLCS, Inc. dba Hope Cooperative (Hope Cooperative) as the LSP for the Project.

Hope Cooperative has provided behavioral health, housing, and homelessness services in the Sacramento region for more than 45 years, including owning and operating permanent supportive housing projects and Homekey projects. Their Rio Linda team will be supported by Hope Cooperative's broader organizational infrastructure, including clinical leadership, training, compliance, quality improvement, human resources, fiscal, and administrative staff.

The Project is designed to provide permanent supportive housing, which necessitates comprehensive on-site supportive services to address the needs of its residents, including homeless seniors and senior veterans with suspected behavioral health issues. These services are crucial for the success of the permanent supportive housing model, helping residents transition from homelessness and maintain stable housing. The Homekey+ funding also requires minimum supportive services staff to client ratios. This Professional Services Agreement (PSA) includes funding for 6.2 FTEs, which includes:

- 5.0 FTE Residential Case Managers - work on-site with tenants on assessments, service planning, benefits and resource connections, health and behavioral health coordination, crisis response, housing stabilization, transitions of care, documentation, and regular resident contact.
- 1.0 FTE Resident Services Coordinator/Manager - handle duties such as daily operations, resident meetings, wellness and social activities, financial education, life-skills training and coordinate with the residential case managers.
- 0.2 FTE Program Manager - offsite position responsible for supervision, contract compliance, quality review, reporting, staff support and coordination with City and project partners.

In addition to other operational costs, the PSA budget includes \$63,000 for client support, including costs to directly support residents including transportation, household supplies, activities/recreation, medications, sustenance/food, and other miscellaneous client needs. The estimated annual program cost is \$731,715. Permanent supportive housing projects provide long-term housing and require a stable and consistent case management presence. As such, this PSA is for an initial five-year period, with Hope Cooperative anticipated to be the eventual long-term owner/operator of the Project. With a 3% cost adjustment applied each year, staff is recommending a total NTE contract amount of \$3,885,000 for this five-year PSA.

Construction of the Project is anticipated to begin in the first quarter of 2027. While this PSA with Hope Cooperative will not begin until July 1, 2027, HCD is requiring the City contract with the LSP for the Project as a condition of the Homekey+ funding. Hope Cooperative will have an opportunity to coordinate with the developer during the design phase of the project and will also coordinate with the City's Department of Community Response and the Veteran's Administration on referrals into this project leading up to the construction completion and opening of the Project.

Policy Considerations: City Council approval is required for agreements of \$250,000 or more per City Code 3.56.090. In addition, the Sacramento City Code Section 4.04.020 and the City Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a two-thirds vote of the City Council, all labor agreements, and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to City Council action. This item was published for 10-day review on October 8, 2026, in compliance with the City Code.

This Project advances the Council-adopted priorities of Economic Development and Homelessness identified at the September 30, 2025 Priority and Goal Setting Workshop and adopted by City Council on November 18, 2025. Specifically, this Project implements the following Strategic Initiatives in the City of Sacramento One City, One Future Priorities Strategic Workplan:

- Economic Development, Neighborhood and Commercial Development: Strategic Initiative 7: Activate Vacant and Underutilized Public and Private Properties
- Homelessness, Long-Term Housing Stability, Strategic Initiative 24: Compete for Homekey+ Permanent Supportive Housing Opportunities

In addition, this supportive services contract aligns with the City's General Plan, specifically **Policy H-36: Support Affordable Housing Development** in the City of Sacramento Housing Element. Additionally, financing permanent supportive housing projects is consistent with the Sacramento Regionally Coordinated Homelessness Action Plan (RCHAP), adopted in March 2024 and updated in August 2025. The Project supports Solution 6 - Permanent Supportive Housing, which seeks to expand housing opportunities and capacity for people experiencing homelessness.

Economic Impacts: Not applicable.

Environmental Considerations: This professional services agreement for supportive services is an administrative action related to the operation of the housing project and does not involve physical changes to the environment. Therefore, it is not considered a project under CEQA Guidelines section 15378(b)(4) and is exempt from CEQA review under CEQA Guidelines section 15060(c)(3).

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: TLCS, Inc. dba Hope Cooperative has been selected as the LSP through a competitive RFQ process. As the LSP, they will be responsible for all on-site supportive services for the Project. This approval of this contract is required to meet the conditions of the Homekey+ funding award from HCD and will provide essential on-site supportive services for five years for the Project.

Financial Considerations: The total not-to-exceed amount for the professional services agreement with TLCS, Inc. dba Hope Cooperative is \$3,885,000 for an initial five-year term. The supportive services for this project are funded through the Homekey+ Program, which awarded a total of \$11,116,126 for Operating Award and Veteran Units Additional Operating Award for 15 years. The City has also committed \$3 million of Homeless Housing, Assistance and Prevention (HHAP) 4 and 5 funding to fund the supportive services and operations of the Project.

On September 29, 2026, the City Council adopted a Resolution accepting \$31.8 million of Homekey+ funding and established the Rio Linda Homekey+ Project (G02610620). This Professional Services Agreement for \$3,885,000 for supportive services will be covered by these Homekey+ funds for operating costs (Operating Grants, Fund 2702).

Local Business Enterprise (LBE): TLCS, Inc. dba Hope Cooperative is an LBE.

CONTRACT #: PRC004720
CONTRACT NAME: Rio Linda Homekey+ Lead Service Provider
AGREEMENT TERM: 5 years
AUTHORIZED RENEWALS: N/A
DEPARTMENT/DIVISION: Economic Development Department

PROJECT: G02610620
NOT-TO-EXCEED AMOUNT: \$3,885,000
SOLICITATION: Q26021451003
LBE (Y/N): Y
COUNCIL FILE ID: 2026-01528

CITY OF SACRAMENTO

PROFESSIONAL SERVICES AGREEMENT*

THIS CONTRACT is made at Sacramento, California, by and between the **CITY OF SACRAMENTO**, a charter city and municipal corporation ("CITY"), and

TLCS, Inc. dba HOPE Cooperative
650 Howe Avenue, Building 400A Sacramento, CA 95825
(916) 441-0123 / info@hopecoop.org

("Contractor"), as of the Effective Date, as defined below.

The City and Contractor agree as follows:

1. **Effective Date.** This Contract shall be effective beginning 7/1/2027.
2. **Contract Documents.** All exhibits and documents attached or referred to in this Contract are incorporated as if set forth herein, Including Exhibit A (titled "Scope of Services") and Exhibit B (titled "Payment").

If there is a conflict between the terms and conditions of any document prepared or provided by the Contractor and made a part of this Contract and the other terms or conditions of the Contract, the other terms and conditions of the Contract control.

3. **Services.** Subject to the terms and conditions set forth in this Contract, Contractor shall provide to CITY the services described in Exhibit A ("Services").

Contractor will not be compensated for services outside the scope of Exhibit A ("Additional Services") unless, before providing Additional Services: (a) Contractor notifies CITY and CITY agrees that the Additional Services are outside the scope of Exhibit A; (b) Contractor estimates the additional compensation required for these Additional Services; and (c) CITY, after notice, approves in writing a Supplemental Contract specifying the Additional Services and the amount of additional compensation to be paid Contractor.

CITY will have no obligations whatsoever under this Contract or any Supplemental Contract, unless and until this Contract or any Supplemental Contract is approved by the City as required by the Sacramento City Code. As used in this Contract, the term "Services" includes both Services and Additional Services as applicable.

* This form is to be used for all professional services, except services performed by architects, landscape-architects, professional engineers, or professional land surveyors, or services related to a construction project.

4. **Payment.** CITY shall pay Contractor at the times and in the manner set forth in Exhibit B. Contractor shall submit all invoices to CITY in the manner specified in Exhibit B.
5. **Facilities and Equipment.** Except as set forth below, Contractor shall, at its sole cost and expense, furnish all facilities and equipment required for Contractor to perform this Contract. CITY shall furnish to Contractor only the facilities and equipment listed below, if any.
6. **Insurance.** Contractor shall, at its sole cost and expense, maintain the insurance coverage described in the attached Exhibit C.
7. **General Conditions.** Contractor shall comply with the terms and conditions set forth in the attached Exhibit D.
8. **Additional Requirements for Surveying, Material Testing, and Inspection Services.** If this Contract includes any land surveying, material testing, or inspection services provided for a City construction project, during the design, pre-construction, construction, or post-construction phases of the project, the Contractor and any subcontractor or subconsultant performing any such services shall comply with the provisions specified in Exhibit E.
9. **Non-Discrimination in Employee Benefits.** This Contract may be subject to Sacramento City Code chapter 3.54, Non- Discrimination in Employee Benefits by City Contractors. A summary of the requirements, entitled "Requirements of the Non-Discrimination in Employee Benefits Code (Equal Benefits Ordinance)," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.54. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor's violation of Sacramento City Code chapter 3.54 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

10. **Considering Criminal Conviction Information in the Employment Application Process.** This Contract may be subject to the requirements of Sacramento City Code chapter 3.62, Procedures for Considering Criminal Conviction Information in the Employment Application Process. A summary of the requirements, entitled "Ban-The-Box Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

The Ban-The-Box Requirements are applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.62. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.62 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.62.

Contractor's violation of Sacramento City Code chapter 3.62 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

11. **Local Business Enterprise Program.** The Local Business Enterprise Program Participation Requirements ("LBE Participation Requirements") may be applicable to this Contract. A summary of the requirements, entitled "LBE Participation Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.64. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.64 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.64.

Contractor's violation of Sacramento City Code chapter 3.64 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

12. **Authority.** The person signing this Contract for Contractor represents and warrants that he or she has read, understands, and agrees to all the Contract terms and is fully authorized to sign this Contract on behalf of the Contractor and to bind the Contractor to the performance of the Contract's obligations.

[Signatures Page Following Exhibits]

EXHIBIT A

SCOPE OF SERVICES

1. Representatives.

The CITY Representative for this Agreement is:

*Ya-yin Isle, City Housing Manager
915 I Street Sacramento, CA 95814
(916) 808-1869 / yisle@cityofsacramento.org*

The CONTRACTOR Representative for this Agreement is:

*April Ludwig, Chief Executive Officer
650 Howe Avenue, Building 400A Sacramento, CA 95825
(916) 291-8621 / aludwig@hopecoop.org*

Unless otherwise provided in this Contract, all Contractor questions and correspondence pertaining to this Contract must be addressed to the City Representative. All City questions and correspondence must be addressed to the Contractor Representative.

2. **Scope of Services.** Contractor shall provide Services to City as set forth in Attachment 1 to this Exhibit A.

3. **Time of Performance.** The Services described in this Contract shall be provided for an initial *five years*. During this time, it is the intent that the Project ownership would convert to Contractor, and any remaining Homekey+ funds for operations will be contracted separately to the Contractor. Contractor shall provide the Services in accordance with any schedule in Attachment 1 to this Exhibit A.

4. **Conflict of Interest Requirements.** The individual(s) who will provide Services pursuant to this Contract are "Consultants" within the meaning of the Political Reform Act and the City's Conflict of Interest Code. ____ yes ___X___ no *[check one]*

Contractor shall cause the following to occur within 30 days after execution of this Contract:

- (A) Identify the individuals who will provide Services or perform Work under this Contract as "Consultants"; and
- (B) Cause these individuals to file with the City Representative the "assuming office" statements of economic interests required by the City's Conflict of Interest Code.

Thereafter, throughout the term of the Contract, Contractor shall cause these individuals to file with the City Representative annual statements of economic interests and "leaving office" statements of economic interests, as required by the City's Conflict of Interest Code. The City may withhold all or a portion of any payment due under this Contract or impose fines on the individuals until all required statements are filed.

EXHIBIT B

PAYMENT

1. **CONTRACTOR's Compensation.** The total of all fees paid to the Contractor for the provision of Services as set forth in Exhibit A, including any authorized reimbursable expenses, shall not exceed the total sum of \$3,885,000. The payments specified in this Exhibit B shall be the only payments made to Contractor unless the City approves a Supplemental Contract.
2. **Billable Rates.** Contractor shall be paid for the performance of Services on an hourly rate, daily rate, flat fee, lump sum, or other basis, as set forth in Exhibit A or Attachment 1 to this Exhibit B and any applicable special provisions included in the request for bids or proposals. If there is a conflict between Exhibit A or Exhibit B and the Special Provisions, Exhibit A or Exhibit B controls.
3. **CONTRACTOR's Reimbursable Expenses.** "Reimbursable Expenses" are limited to actual expenditures of Contractor for expenses that are necessary for the proper satisfaction of the Contract and are only payable if specifically authorized in advance in writing by the City. No charges or markup will be allowed unless specified in the Contract, including charges for travel and transportation.
4. **Payments to CONTRACTOR.** Contractor is responsible for supplying all documentation necessary to verify invoices to the City's satisfaction.
 - A. Payments to Contractor shall be made within a reasonable time after receipt of Contractor's invoice, in proportion to services performed or as otherwise specified in Attachment 1 to Exhibit B. Contractor may request payment on a monthly basis. Contractor shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of CITY.
 - B. Invoices must be submitted to either of the addresses specified below.
 - (1) Email. Submit email invoices and any attachments to:
apinvoices@cityofsacramento.org
 - (2) Postal Mail. If emailing is not an option, mail to:
A/P Processing Center
City of Sacramento
915 I Street, Floor 4
Sacramento, CA 95814-2608
 - C. All invoices submitted by Contractor must contain the following information:
 - (1) Job/Project Name
 - (2) CITY's current Purchase Order Number
 - (3) Contractor's Invoice Number
 - (4) Date of Invoice Issuance
 - (5) Work Order Number (if applicable)
 - (6) CITY representative identified on the Purchase Order

- (7) Contractor's remit address
- (8) Description of services billed under Invoice
- (9) Amount of Invoice (itemize all authorized Reimbursable Expenses)
- (10) Total Billed to Date under Contract (if applicable)

D. Items must be separated into Services and Reimbursable Expenses. Invoices that do not conform to the format outlined above will be returned to Contractor for correction. CITY is not responsible for delays in payment to Contractor resulting from Contractor's failure to comply with the invoice format described above.

- 5. **Additional Services.** Additional Services shall be provided only when a Supplemental Contract authorizing the Additional Services is approved in writing by the City in accordance with the City's contract amendment procedures. The City reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform the Additional Services.
- 6. **Accounting Records of CONTRACTOR.** During performance of this Contract and for a period of three years after completion of performance, Contractor shall maintain all accounting and financial records related to this Contract, in accordance with generally accepted accounting practices, including records of Contractor's costs for performance under this Contract and records of Contractor's Reimbursable Expenses. Contractor shall keep and make records available for inspection and audit by representatives of the CITY upon reasonable written notice.
- 7. **Tax Payments.** Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide CITY with proof of the payment upon request. Contractor hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of Contractor's breach of this section.

EXHIBIT C

INSURANCE

1. **Insurance Requirements.** During the entire term of this Contract, Contractor shall maintain the insurance coverage described in the Insurance Terms below.

Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified under this Contract. No additional compensation will be provided for Contractor's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

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

2. **General Liability Minimum Scope and Limits of Insurance Coverage.** Commercial General Liability Insurance is required providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Contractor and subcontractors, products and completed operations of Contractor and subcontractors, and premises owned, leased, or used by Contractor and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy. If a general aggregate limit applies, either the general aggregate limit shall apply separately (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and subcontractors; products and completed operations of Contractor and subcontractors; and premises owned, leased, or used by Contractor and subcontractors.

3. **Automobile Liability Minimum Scope and Limits of Insurance Coverage.** (*Check the applicable provision.*)

 X Automobile Liability Insurance is required providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

____ No automobile liability insurance is required, and by signing this Contract, Contractor certifies as follows:

“Contractor certifies that a motor vehicle will not be used in the performance of any work or services under this agreement. If, however, Contractor does transport items under this Contract, or this Contract is amended to require any employees of Contractor to use a vehicle to perform services under the Contract, Contractor understands that it must maintain and provide evidence of Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.”

4. **Excess Insurance.** The CONTRACTOR may use Umbrella or Excess Policies to meet the required liability limits. This form of insurance will be acceptable provided that any umbrella or excess policies provide all of the insurance coverages required and meet the other requirements for the primary policies as set forth in this Agreement. Umbrella and/or Excess policies shall be provided on a true “following form” or broader coverage basis, with coverage at least as broad as provided in the underlying primary policy.

Umbrella or excess policies shall contain, or be endorsed to provide that the City, its officials, employees, and volunteers shall be covered as additional insureds, as well as a provision that it will apply on a primary basis for the benefit of the City. Any insurance or self-insurance maintained by City, its officials, employees, or volunteers will be in excess of Contractor's umbrella or excess coverage and will not contribute to it. No insurance or self-insurance maintained by the City that applies to a loss covered herein, whether Primary or Excess, and which also applies to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's Primary and Excess liability policies are exhausted.

5. **Workers' Compensation Minimum Scope and Limits of Insurance Coverage.** (*Check the applicable provision.*)

 X Workers' Compensation Insurance is required with statutory limits and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.

____ No work or services will be performed on or at CITY facilities or CITY Property, therefore a Workers' Compensation waiver of subrogation in favor of the CITY is not required.

____ No Workers' Compensation insurance is required, and by signing this Contract, Contractor certifies as follows:

“Contractor certifies that its business has no employees, and that it does not employ anyone, and is therefore exempt from the legal requirements to provide Workers' Compensation insurance. If, however, Contractor hires any employee during the term of this Contract, Contractor understands that Workers' Compensation with statutory limits and Employer's Liability Insurance with a limit of not less than one million dollars (\$1,000,000) is required. The Workers' Compensation policy will include a waiver of subrogation in favor of the City.”

6. Professional Liability Minimum Scope and Limits of Insurance Coverage. Professional Liability Insurance for errors and omissions, or malpractice with limits of not less than one million dollars (\$1,000,000):

 X Is Is not *[check one]* required for this Agreement.

- a. If Professional Liability insurance is provided on a claims made basis:
 - i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the contract.
 - iii. If 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, the CONTRACTOR must purchase “extended reporting” coverage for a minimum of three (3) years after completion of contract work.

7. Other Insurance Provisions. The policies must contain, or be endorsed to contain, the following provisions:

- A. Contractor's insurance coverage, including excess insurance, shall be primary and non-contributory insurance as respects the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers will be in excess of Contractor's insurance and will not contribute with it.
- B. Any failure to comply with reporting provisions of the policies will not affect coverage provided to the City, its officials, employees or volunteers.
- C. Coverage shall state that Contractor's insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- D. Contractor shall provide the City with 30 days written notice of cancellation or material change in the policy language or terms.

8. **Waiver of Subrogation.** CONTRACTOR hereby grants to City a waiver of any right to subrogation which any insurer may acquire against the City by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from an insurer.
9. **Acceptability of Insurance.** Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Exhibit C must be declared to and approved by the City in writing before execution of this Contract.
10. **Verification of Coverage.**
- A. Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. Certificates of insurance must be signed by an authorized representative of the insurance carrier. Copies of policies shall be delivered to the City Representative on demand.
- B. Contractor shall send all insurance certificates and endorsements, including policy renewals, during the term of this Contract directly to:
- City of Sacramento
c/o Exigis LLC
PO Box 947
Murrieta, CA 92564
- C. Certificate Holder must be listed as:
- City of Sacramento
c/o Exigis LLC
PO Box 947
Murrieta, CA 92564
- D. The City may withdraw its offer of Contract or cancel this Contract if the certificates of insurance and endorsements required have not been provided before execution of this Contract. The City may withhold payments to Contractor and/or cancel the Contract if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.
11. **Subcontractor Insurance Coverage.** Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in this Exhibit C.

EXHIBIT D

GENERAL CONDITIONS

1. Independent Contractor.

- A. It is understood and agreed that Contractor (including Contractor's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Contractor nor Contractor's assigned personnel will be entitled to any benefits payable to CITY employees. CITY is not required to make any deductions or withholdings from the compensation payable to Contractor under the provisions of this Contract, and Contractor will be issued a Form 1099 for its services hereunder. As an independent contractor, Contractor hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of Contractor's employees or by any third party, including any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Contract or by reason of the nature and/or performance under this Contract.
- B. It is further understood and agreed by the parties that Contractor, in the performance of its obligations, is subject to the City's control and direction as to the designation of tasks to be performed and the results to be accomplished under this Contract, but not as to the means, methods, or sequence used by Contractor for accomplishing the results. To the extent that Contractor obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Contract, this use will be at the Contractor's sole discretion based on the Contractor's determination that the use will promote Contractor's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Contract, the CITY does not require that Contractor use CITY facilities, equipment or support services or work in CITY locations in the performance of this Contract. As used in this Contract, "sole discretion" or "sole judgment" means that the party authorized to exercise its discretion or judgment may do so based on an unfettered assessment of its own interests, without considering how its decision affects the other party, and unconstrained by the implied covenant of good faith and fair dealing.
- C. If, in the performance of this Contract, any third persons are employed by Contractor, such persons will be entirely and exclusively under the direction, supervision, and control of Contractor. Except as otherwise provided in this Contract, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Contractor. It is further understood and agreed that Contractor will issue W-2 or 1099 Forms for income and employment tax purposes for all Contractor's assigned personnel and subcontractors.
- D. The provisions of this section will survive any expiration or termination of this Contract. Nothing in this Contract creates an exclusive relationship between CITY and Contractor. Contractor may represent, perform services for, or be employed by any additional persons or companies so long as Contractor does not violate the provisions of Section 5, below.

2. **Licenses; Permits, Etc.** Contractor represents and warrants that Contractor has, and shall maintain at all times during the term of this Contract at its sole cost and expense, all licenses, permits, qualifications, and approvals of any nature that are legally required for Contractor to practice its profession or fulfill the terms of this Contract, including a City Business Operations Tax Certificate and any required certification issued by the California Secretary of State.
3. **Time.** Time is of the essence in the performance of this Contract. Contractor shall devote the necessary time and effort to its performance under this Contract. Neither party will be considered in default of this Contract, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **CONTRACTOR Not Agent.** Except as CITY may specify in writing, Contractor and Contractor's personnel have no authority, express or implied, to act on behalf of CITY in any capacity whatsoever as an agent. Contractor and Contractor's personnel shall have no authority, express or implied, to bind CITY to any obligations whatsoever.
5. **Conflicts of Interest.** Contractor covenants that neither it, nor any officer or principal of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the CITY's interests or that would in any way hinder Contractor's performance under this Contract. Contractor further covenants that in the performance of this Contract, no person having any such interest will be employed by it as an officer, employee, agent or subcontractor, without the City's written consent.

Contractor agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the City's interests during the performance of this Contract. If Contractor is or employs a former officer or employee of the CITY, Contractor and any former City officer or employee shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any CITY department, board, commission, or committee.

6. **Hazardous Substances.** "Hazardous Substances" means any substance, material, waste, or other pollutant or contaminant that is or becomes designated, classified, or regulated as hazardous or toxic under any law, regulation, rule, order, decree, or other governmental requirement now in effect or later enacted. If Contractor is shipping Hazardous Substances, Contractor must supply a Safety Data Sheet ("SDS") with the first shipment of Hazardous Substances to each City location receiving the Hazardous Substances. If the content of an SDS is revised, Contractor must provide a revised SDS to each City location receiving Hazardous Substances.
7. **Confidentiality of CITY Information.** During performance of this Contract, Contractor may gain access to and use CITY information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the CITY.

Contractor agrees to protect all City Information and treat it as strictly confidential, and further agrees that Contractor shall not at any time, either directly or indirectly, divulge, disclose or

communicate in any manner any City Information to any third party without the City's prior written consent.

In addition, Contractor must comply with all CITY policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by Contractor of this section is a material violation of this Contract and shall justify legal and equitable relief.

8. CONTRACTOR Information.

- A. CITY shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by Contractor under this Contract. In this Contract, the term "information" means and includes: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. CONTRACTOR shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by CITY.
- B. Contractor shall fully defend, indemnify and hold harmless CITY, its officers and employees, and each of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by Contractor under this Contract infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. CITY shall make reasonable efforts to notify Contractor not later than ten days after CITY is served with any such claim, action, lawsuit or other proceeding. However, City's failure to provide notice within the ten-day period does not relieve Contractor of its obligations hereunder, which survive any termination or expiration of this Contract.
- C. All proprietary and other information received from Contractor by CITY, whether received in connection with Contractor's proposal to CITY or in connection with Contractor's performance, will be disclosed upon receipt of a request for disclosure, in accordance with the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to CITY, CITY shall give notice to Contractor of any request for the disclosure of such information. The Contractor will then have five days from the date it receives notice to petition the court for a protective order to prevent the disclosure of the information. The Contractor shall have sole responsibility for defense of the actual "trade secret" designation of such information.
- D. The parties understand and agree that any failure by Contractor to respond to the notice provided by CITY and seek a protective order, in accordance with the provisions of subsection C, above, constitutes a complete waiver by Contractor of any rights regarding the information designated "trade secret" by Contractor, and the information will be disclosed by CITY in accordance with the Public Records Act.

9. **Notification of Material Changes in Business.** Contractor agrees that if it experiences any material changes in its business, including a reorganization, refinancing, restructuring, leveraged buyout, bankruptcy, name change, or loss of key personnel, it will immediately notify the City of the changes. Contractor also agrees to immediately notify the City of any condition that may jeopardize the scheduled delivery or fulfillment of Contractor's obligations to the City under this Contract.
10. **Standard of Performance.** Contractor shall perform in the manner and according to the standards currently observed by a competent practitioner of Contractor's profession in California and in compliance with all requirements of this Contract. All products that Contractor delivers to CITY under this Contract must be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Contractor's profession.
- Contractor shall assign only competent personnel to perform on its behalf under this Contract. Contractor must notify the CITY in writing of any changes in Contractor's staff assigned to perform under this Contract, before any performance by the new staff member. If the CITY, in its sole discretion, determines that any person assigned by the Contractor to perform under this Contract is not performing in accordance with the standards required herein, City shall provide notice to Contractor. Contractor shall immediately remove the assigned person upon receipt of the notice.
11. **Performance or Different Terms and Conditions.** The City's subsequent performance will not be construed as either acceptance of additional or different terms and conditions or a counteroffer by the Contractor, nor will the City's subsequent performance be viewed as acceptance of any provision of the Uniform Commercial Code, as adopted by any State, that is contrary to the terms and conditions contained herein. Contractor's performance shall conform to the applicable requirements of the Sacramento City Charter, Sacramento City Code, and all applicable State and Federal laws, and all the requirements of this Contract. The California Commercial Code will apply except as otherwise provided in the Contract.
12. **Emergency/Declared Disaster Requirements.** If an emergency is declared by the City Manager, or if any portion of the City is declared a disaster area by the county, state or federal government, this Contract may be subjected to increased usage. The Contractor shall serve the City during a declared emergency or disaster, subject to the same terms and conditions that apply during non-emergency / non-disaster conditions. The pricing set forth in this Contract will apply, without mark-up, regardless of the circumstances. If the Contractor is unable to fulfill the terms of the Contract because of a disruption in its chain of supply or service, then the Contractor shall provide proof of the disruption. Acceptable forms of proof will include a letter or notice from the Contractor's source stating the reason for the disruption
13. **Term; Suspension; Termination.**
- A. This Contract is effective on the Effective Date and continues in effect until both parties have fully performed their respective obligations under this Contract, unless sooner terminated as provided herein.
 - B. CITY shall have the right at any time to suspend Contractor's performance hereunder, in whole or in part, by giving a written notice of suspension to Contractor. Upon receipt of

such notice, Contractor shall immediately suspend its activities under this Contract, as specified in the notice.

- C. The CITY shall have the right to terminate this Contract at any time by giving a written notice of termination to Contractor. Upon receipt of such notice, Contractor shall immediately cease performance under this Contract as specified in the notice. If the CITY terminates this Contract:

- (1) Contractor shall, not later than five days after receipt of the notice, deliver all information prepared under this Contract to the City.
- (2) The CITY shall pay Contractor the reasonable value of Goods or Services provided by Contractor before termination; provided, however, CITY shall not in any manner be liable for lost profits that might have been made by Contractor had the Contract not been terminated or had Contractor completed performance required by this Contract. Contractor shall furnish to the CITY any financial information requested by the City to determine the reasonable value of the Goods or Services provided by Contractor. The foregoing is cumulative and does not affect any right or remedy that CITY may have in law or equity.

- 14. Default by Contractor.** In case of default by the Contractor, the City reserves the right to procure the Goods or Services from other sources and deduct from any monies due, or that may thereafter become due to the Contractor, the difference between the price named in this Contract and the actual cost to the City to procure from an alternate source. Prices paid by the City will be considered the prevailing market price at the time such purchase is made.

15. Indemnity.

- A. Indemnity: Contractor shall defend, hold harmless, and indemnify City, its officers, and employees, and each and every one of them, from and against all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, and expenses of every type and description, whether arising on or off the site of the work or services performed under this Contract, including any fees and costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including Liabilities for personal injury or death, damage to personal, real, or intellectual property, damage to the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Contract by Contractor, any subcontractor (including lower-tier subcontractors) or agent of Contractor, their respective officers and employees, and anyone else for whose acts of omissions any of them may be liable, whether or not the Liabilities (i) are caused in part by a party indemnified hereunder, or (ii) are litigated, settled, or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage, or expense, to the extent arising from the active negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, except when such agents,

servants, or independent contractors are under the supervision and control of Contractor or any subcontractor (including lower-tier subcontractors) or agent of Contractor.

- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by City of any of the insurance policies or coverages described in this Contract will not affect or limit any of City's rights under this Section, nor will the limits of any insurance limit the liability of Contractor hereunder. This Section will not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of the Contractor Information Section, above.
- C. Survival. The provisions of this section will survive any expiration or termination of this Contract.

16. Funding Availability.

- A. This Contract is subject to the budget and fiscal provisions of the Charter and the Sacramento City Code.
- B. The City's payment obligation under this Contract will not exceed the amount of funds appropriated and approved for this Contract by the Sacramento City Council.
- C. This Section shall govern over any other contrary provision of the Contract.

17. Equal Employment Opportunity. During the performance of this Contract, Contractor, for itself, its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: Contractor shall comply with all state, local, and federal anti-discrimination laws and regulations, including the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375, 12086, and 13672, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), referred to collectively as the "Regulations."
- B. Nondiscrimination: Contractor, with regards to the work performed by it after award and before completion of the work under this Contract, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by Contractor for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligation under this Contract and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.

- D. Information and Reports: Contractor shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the CITY to be pertinent to ascertain compliance with the Regulations, orders and instructions. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to the CITY, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by Contractor with the nondiscrimination provisions of this Contract, the CITY shall impose any sanctions it determines are appropriate including:
- (1) Withholding of payments to Contractor under this Contract until Contractor complies;
 - (2) Cancellation, termination, or suspension of this Contract, in whole or in part.
- F. Incorporation of Provisions: Contractor shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. The City may direct Contractor to take specific actions to enforce these provisions, including sanctions for noncompliance; provided, however, that if Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Contractor may request that the CITY join such litigation to protect the City's interests.
18. **Entire Agreement.** This Contract, including all Exhibits and documents referenced herein, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had before the execution of this Contract. No alteration to the terms of this Contract shall be valid unless approved in writing by Contractor, and by CITY, in accordance with applicable provisions of the Sacramento City Code.
19. **Modification of Contract.** The Contractor shall take no direction from any City employee that changes the executed terms and conditions of the Contract, including Exhibit A, or any change that impacts the cost, price, or schedule, before receiving a written, signed modification to the Contract.
20. **Severability.** If a court with jurisdiction rules that any portion of this Contract or its application to any person or circumstance is invalid or unenforceable, the remainder of this Contract will not be affected thereby and will remain valid and enforceable as written, to the greatest extent permitted by law.
21. **Waiver.** Neither the CITY's acceptance of, or payment for, any Goods or Services, nor any waiver by either party of any default, breach or condition precedent, will be construed as a waiver of any provision of this Contract, nor as a waiver of any other default, breach or condition precedent or any other right hereunder. No waiver will be effective unless it is in writing and signed by the waiving party.

- 22. Governing Law.** This Contract shall be governed, construed and enforced in accordance with the laws of the State of California, except that the rule of interpretation in California Civil Code section 1654 will not apply. Venue of any litigation arising out of this Contract will lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
- 23. Assignment Prohibited.** The expertise and experience of Contractor are material considerations for this Contract. CITY has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on Contractor under this Agreement. In recognition of this interest, Contractor shall not assign any right or obligation pursuant to this Contract without the written consent of the CITY. Any attempted or purported assignment without CITY's written consent shall be void and of no effect.
- 24. Binding Effect.** This Contract is binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 23, above.
- 25. Compliance with Laws.** The Contractor shall be responsible for strict compliance with all applicable laws, regulations, court orders and other legal requirements applicable to the work to be accomplished under the Contract, including the California Occupational Safety and Health Act and all applicable safety orders issued by the Division of Occupational Safety and Health, Department of Industrial Relations, State of California, and all applicable requirements of Underwriters Laboratories and the Federal Communication Commission.
- 26. Debarment Certification**
- A. Pursuant to 2 CFR, Part 200, and applicable Executive Orders, the City is restricted in its ability to contract with certain parties that are debarred, suspended, or otherwise excluded or ineligible for participating in Federal assistance programs or activities. By signing this Agreement, CONTRACTOR warrants and certifies under penalty of perjury under the laws of the State of California that Contractor, including any owner, partner, director, officer, or principal of the CONTRACTOR, or any person in a position with management responsibility or responsibility for the administration of federal funds:
- (1) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency;
- (2) Has not within a three-year period preceding this certification been convicted of or had a civil judgment rendered against it for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract (federal, state, or local); violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, or other criminal felony;
- (3) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (b) above; or
- (4) Has not, within a three-year period preceding this certification, had one or more public contracts (federal, state, or local) or transactions terminated for cause or default.

(5) Has not been notified, within a three-year period preceding this certification, been notified of any delinquent Federal taxes in an amount that exceeds \$3,500 for which the liability remains unsatisfied. Federal taxes are considered delinquent if the tax liability has been finally determined and the taxpayer is delinquent in making payment, as defined in Section 52.209-5 of the Federal Acquisition Regulations.

B. CONTRACTOR further warrants and certifies that it shall not knowingly enter into any transaction with any subcontractor, material supplier, or vendor who is debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency. Any exceptions to the warranties and certifications in this Section must be disclosed to the City.

C. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining Contractor's responsibility. Disclosures must indicate to whom exceptions apply, the initiating agency, and dates of action.

D. City will review the Federal Government's System for Award Management Exclusions maintained by the General Services Administration for eligibility, prior to the execution of this Agreement. The CONTRACTOR shall provide immediate written notice to the City if, at any time prior to execution, the CONTRACTOR learns this certification is erroneous or has become erroneous by reason of changed circumstances. If it is later determined that the Contractor's warranties and certification in this Section were erroneous, the City may terminate this Agreement for default.

EXHIBIT E

ADDITIONAL REQUIREMENTS FOR SURVEYING, MATERIAL TESTING, AND INSPECTION SERVICES

The Services provided under this Contract include land surveying, material testing, or inspection services provided for a City construction project during the design, pre-construction, construction, or post-construction phases of the project. Therefore, the services include "Public Work" under the California Labor Code and is subject to the following requirements:

- A. Payment of Prevailing Wages: Contractor and any subcontractor(s) performing any Public Work shall comply with the provisions of Sacramento City Code Section 3.60.040 and applicable provisions of the California Labor Code, which require, among other things, that CONTRACTOR and all subcontractors pay not less than the prevailing rate of wages, as determined by the Director of the California Department of Industrial Relations ("DIR") in accordance with California Labor Code Section 1773. CONTRACTOR and every subcontractor shall maintain payroll records and submit certified payrolls and other labor compliance documentation electronically when and as required by CITY. In addition, Labor Code Section 1771.4 requires the CONTRACTOR and any subcontractor performing any Public Work to furnish electronic payroll records directly to the Labor Commissioner. Contractor shall include these requirements in every subcontract.

This Agreement is subject to compliance monitoring and enforcement by the DIR, as specified in California Labor Code Section 1771.4. The Contractor and any subcontractor will be subject to withholding and penalties for violation of prevailing wage requirements in accordance with applicable law, including Labor Code Sections 1726, 1741, 1771.5, and 1775, and City Code Section 3.60.040. Questions regarding the City's Labor Compliance Program should be directed to the City Representative.

- B. DIR Registration: California Labor Code Section 1725.5 requires the CONTRACTOR and all subcontractors performing Public Works services to be currently registered with the DIR, as specified in California Labor Code Section 1725.5. California Labor Code Section 1771.1 provides that a contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal (subject to the requirements of Section 4104 of the California Public Contract Code), or engage in the performance of any contract for Public Work, unless currently registered and qualified to perform Public Work in accordance with California Labor Code Section 1725.5.

Further information can be found on DIR's website at <http://www.dir.ca.gov/Public-Works/Contractors.html>. The above summary is provided solely for informational purposes and does not in any way affect the CONTRACTOR's and subcontractors' obligation to comply in all respects with all other applicable laws and regulations. The CONTRACTOR shall disseminate these provisions to all subcontractors.

Before the performance of work by Contractor or any subcontractor(s) under this Contract, Contractor shall furnish Contractor's and any subcontractors' current DIR

registration number(s). The Contractor's current DIR registration number and the current DIR registration number of all subcontractors will be listed on the Subcontractor and LBE Participation Verification Form, incorporated herein.

To be completed by the City Representative if this Agreement is for the performance of any Public Work:

Contractor DIR registration #:

- C. Workers' Compensation Certification. In accordance with California Labor Code Section 1861, by signing this Contract, Contractor acknowledges and represents that Contractor is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that Contractor will comply with the provisions of the Labor Code before commencing performance under this Contract.
- D. Apprentices. If this Contract is for the performance of any Public Work, and the amount of the Contract is \$30,000 or more, the Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.050, Section 1777.5 et seq. of the California Labor Code, and implementing regulations set forth in Title 8 of the California Code of Regulations, governing the employment of apprentices. The Contractor and any subcontractors performing Public Work will be subject to penalties for apprenticeship violations in accordance with Labor Code Section 1777.7.
- E. Working Hours. If this Contract is for the performance of any Public Work, Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.040 and California Labor Code Section 1810 et seq., governing the working hours of employees performing Public Work.
- F. Failure to Comply with Labor Compliance. If all applicable labor compliance requirements are not met, the City will have the right to withhold or reject a payment request and/or invoice, in whole or in part, without in any way relieving Contractor or its subcontractors of any obligations under this Contract.
- G. Subcontractors. The Contractor shall include these provisions A through F in every subcontract or sub-agreement for any subcontractors performing work under this Contract.

Attachment 1 to Exhibit A
Scope of Services & Payment
TLCS, Inc. dba Hope Cooperative

Overview

Hope Cooperative will be the Lead Service Provider for the Rio Linda Senior Project (“Project”), a 100-unit tiny home community scheduled to open in 2027. The project is being developed through Homekey+ as permanent supportive housing and will serve older adults, senior veterans, people with intellectual or developmental disabilities, and other eligible residents who have experienced homelessness or housing instability. Many residents may have physical health, behavioral health, substance use, and/or recovery support needs. Services will be voluntary and provided at no cost to residents. The work will focus on supporting residents in maintaining stable housing, addressing their health and wellness needs while remaining as independent as possible, aging in place, and building meaningful connections within the community.

Hope Cooperative (“CONTRACTOR”) has provided behavioral health, housing, and homelessness services in the Sacramento region for more than 45 years. Their Rio Linda team will be supported by Hope Cooperative’s broader organizational infrastructure, including clinical leadership, training, compliance, quality improvement, human resources, fiscal, and administrative staff.

CONTRACTOR understands and acknowledges that the Project is funded with grant money from the State of California’s (“State”) Homekey+ Program (“Homekey+”). Accordingly, in performing the Services specified in this Attachment 1 to Exhibit A, CONTRACTOR must comply with the following related to the State’s Homekey+ Program: (i) all applicable State laws and regulations; (ii) all terms and conditions of the City’s contract with the State; (iii) Homekey+ Program guidance or directives issued by the State’s Housing and Community Development Department (“HCD”); (iv) terms of the State’s Notice of Financial Availability (“NOFA”) under which the City applied for Homekey+ funding; (v) representations contained in the City’s application for Homekey+ funding; (vi) the “Purpose of the Homekey+ Program” as outlined by the State; and (vii) any additional State requirements issued for the Homekey+ Program (whether such State requirements are in effect now or issued at a later date). Compliance with the foregoing Homekey+ Program obligations includes without limitation CONTRACTOR’s compliance with any State obligations regarding records retention, reporting, fiscal deadlines, or audits. The City’s contract with the State for Homekey+ Funding is included as Attachment 2 to Exhibit A of this Contract.

Staffing and Program Oversight

The CONTRACTOR staffing plan totals 6.2 FTE. The Program Manager is a 0.2 FTE offsite position responsible for supervision, contract compliance, quality review, reporting, staff support, and coordination with the City and project partners. The 0.5 FTE Resident Services Assistant Manager and 0.5 FTE Resident Services Coordinator duties will be combined into one 1.0 FTE onsite position. That position will handle daily program operations, resident orientation and meetings, resident council work, wellness

and social activities, financial education, life-skills training, community events, resident feedback, resource development, and coordination with Case Managers and property management.

5 FTE Residential Case Managers will work onsite, with no more than 20 households per Case Manager. Their work will include assessments, service planning, benefits and resource connections, health and behavioral health coordination, crisis response, housing stabilization, transitions of care, documentation, and regular resident contact. The team will use supervision and case conferencing and will coordinate with the City, property management, the VA, Alta California Regional Center, Managed Care Plans, CalAIM providers, and other partners. Training will cover Fair Housing, accommodations, confidentiality, HMIS, safety, crisis response, services for older adults, veteran cultural competency, and the project's service approach.

Service Approach

CONTRACTOR will use Housing First, person-centered planning, trauma-informed care, harm reduction, motivational interviewing, and recovery-oriented practices while providing case management services for the Project. Participation in supportive services will be voluntary for residents and will not be a condition of tenancy. Services will be grounded in relationship building, individual choice, and each resident's identified goals. Staff will work collaboratively with residents to identify and address emerging needs related to health and wellness, income, social connection, tenancy, and other factors that may impact housing stability. Services will be person-centered, culturally responsive, accessible, and respectful of each resident's language, abilities, identity, and experience. Interpretation, accessible communication, and reasonable accommodations will be provided as needed to ensure equitable access to services. Recognizing the needs of an aging community, staff will provide individualized support related to mobility, chronic health conditions, cognitive and sensory changes, fall prevention, grief and loss, social connection, and other factors that may affect health, wellness, independence, and the ability to age in place. Veterans will be supported in accessing VA, CalVet, and other veteran-specific services and resources.

Supportive Services

Residents who choose case management will receive support based on their own needs and goals. Within five days of move-in, staff will complete a Housing Stability Plan, self-sufficiency assessment, and individual service plan with the resident. The plans will cover housing, health, income, transportation, daily living skills, and community supports and will be updated when circumstances change. Residents participating in case management will receive at least bimonthly contact, with weekly contact when appropriate and more frequent outreach when housing is at risk. Case management will cover the practical issues that can help someone keep housing. This includes lease education, help responding to notices, conflict resolution, eviction prevention, reasonable accommodations, and mediation when needed. Staff will also help with benefits, medical and behavioral health care, substance use services, medication support, transportation, budgeting, daily living skills, employment, and other meaningful activities. When a resident needs specialty care, staff will connect the person with a qualified provider based on choice and eligibility. Peer support, resident meetings, community meals, wellness activities, life-skills groups, social events, and resident feedback will help reduce isolation and guide the program.

Life-Skills Training and Housing Stability

Life-skills training will be a core part of the work because many day-to-day problems can become housing problems if they are not addressed early. Training will be practical and based on what each resident needs. Staff may work with residents on cleaning and caring for a tiny home, laundry, food storage and meal preparation, pest prevention, using appliances safely, organizing a small space, budgeting and paying rent, keeping appointments, using transportation, managing medication routines, following guest and community rules, communicating with neighbors and property management, and responding to notices. This will not be treated as a one-time class. Staff will break tasks into manageable steps, practice them with residents, use written or visual reminders when helpful, and follow up until the resident is comfortable doing the task. The purpose is to prevent small issues from turning into lease violations, health or safety concerns, or a housing crisis and to help people stay successfully housed.

Service Access and Transportation

Proposed case management hours are 8:30 a.m. to 4:00 p.m., seven days a week. An after-hours on-call phone will be available for urgent needs. The final schedule, holiday coverage, backup plan, and response expectations will be confirmed before opening. When services are not available onsite, staff will make referrals, follow up on the connection, and help with transportation. Options may include public transit, paratransit, non-emergency medical transportation, CalAIM, VA transportation, and PACE.

Lease-Up and Coordination with Property Management

Property management will be responsible for eligibility screening, leasing, rent collection, lease enforcement, maintenance, guest policies, site access, and daily property operations. Hope Cooperative will help with the service side of referral and lease-up. Staff can explain the process, help applicants gather documents, support them at appointments, identify accommodation needs, and help them move into their tiny homes. Hope Cooperative case management staff will not decide who is eligible or take on lease enforcement. After opening, Hope Cooperative and property management will meet regularly and address concerns early when they could affect housing stability. Information will only be shared when allowed by law, resident authorization, and the final agreement.

Crisis Response, Safety, and Transitions of Care

Safety work will include regular contact with residents, wellness checks, early intervention, de-escalation, crisis coordination, and safety planning. Staff will follow Hope Cooperative's emergency procedures and call-in crisis teams, emergency medical services, law enforcement, Adult Protective Services, hospitals, or other responders when the situation calls for it. Case Managers will help residents who need hospitalization or another level of care with referrals, transportation, benefits, discharge planning, and returning to the community. The owner and property management will remain responsible for site security, access control, lighting, visitor policies, maintenance, and enforcement of property rules unless the final agreement says otherwise.

Documentation, Outcomes, and Quality Improvement

Staff will document assessments, plans, contacts, referrals, services, and outcomes in HMIS and other approved systems. Supervisors will review records for timeliness, accuracy, confidentiality, and data

quality. Program leadership will track housing retention, service participation, benefits, healthcare connections, community involvement, and resident feedback. The final agreement and implementation plan will set the performance targets, report format, incident-reporting rules, and due dates. Supervision, case conferencing, record reviews, and resident feedback will be used to make changes when something is not working.

Before opening, Hope Cooperative will finalize the service plan, hire and train staff, set up the referral and lease-up process, prepare HMIS and reporting, confirm crisis and after-hours procedures, and get the onsite service space ready in coordination with the City and Urban Capital, LLC (“DEVELOPER”). Prior to construction completion, CONTACTOR will work with DEVELOPER and City on an occupancy schedule for the 100 tiny homes, referral roles, provide input on office and shared-space layout, private meeting space, equipment, technology, records storage, parking, site access, and safety systems.

Payment

CONTRACTOR shall submit invoices for Services to the City on a monthly basis in accordance with the provisions of Exhibit B of the Contract. All payments under this Contract will be made on a reimbursable basis per Exhibit B of the Contract. For payments on a reimbursable basis, CONTRACTOR will be paid in accordance with the budget specified below.

This Attachment provides additional details for the Payment for the Services under this Contract. In the event of a conflict between the provisions of the Contract and this Attachment, the Contract shall prevail. The defined words or terms in the Contract, if used in herein, those words or terms shall have the same meaning given to them in the Contract.

Project Budget

Project Budget Line	Budget Line Total – Ongoing Annual Costs	Five-Year Budget with 3% Increase Each Year
Salaries	\$406,438	\$2,157,839.85
Supportive Service Case Managers (5 FTE)	\$318,167	\$1,689,191.81
Supportive Services Manager/Coordinator (1 FTE)	\$71,074	\$377,341.52
Program Manager (0.2 FTE)	\$17,198	\$91,306.52
Taxes and Benefits	\$115,726	\$614,399.74
Payroll Taxes	\$34,750	\$184,492.47
Health Benefits	\$59,520	\$315,999.76
Retirement	\$12,193	\$64,734.29
Workers Compensation	\$7,316	\$38,841.64
Unemployment Insurance Expense	\$1,946	\$10,331.58
PERSONNEL Expenses Subtotal	\$522,164	\$2,772,239.59
Office Expenses	\$1,750	\$9,290.99
Office Supplies	\$1,000	\$5,309.14
Postage & Shipping	\$250	\$1,327.28
Printing & Photocopying	\$500	\$2,654.57

Communication Expenses	\$2,232	\$11,849.99
Mobile Phone	\$2,232	\$11,849.99
Information Technology	\$17,401	\$92,384.27
IT Support/Maintenance	\$14,880	\$78,999.94
IT Hardware	\$2,000	\$10,618.27
IT Software	\$521	\$2,766.06
Insurance	\$19,100	\$101,404.49
Property Liability	\$4,000	\$21,236.54
General Liability & D&O Insurance	\$12,000	\$63,709.63
Professional Liability	\$3,100	\$16,458.32
Staff Travel and Development	\$14,170	\$75,230.45
Staff Travel	\$12,000	\$63,709.63
Staff Development	\$2,170	\$11,520.82
Other Program Operations	\$13,500	\$71,673.33
Program Supplies	\$12,000	\$63,709.63
Recruitment Advertising	\$1,500	\$7,963.70
Client Supports	\$63,000	\$334,475.56
Client Medications	\$3,000	\$15,927.41
Client Transportation	\$25,000	\$132,728.40
Client Activities/Recreation	\$5,000	\$26,545.68
Client Education/Training	\$5,000	\$26,545.68
Client Household Supplies	\$5,000	\$26,545.68
Miscellaneous Client Needs	\$10,000	\$53,091.36
Client Sustenance/Food	\$10,000	\$53,091.36
OPERATING Expenses Subtotal	\$131,153	\$696,309.09
TOTAL DIRECT EXPENSES	\$653,317	\$3,468,548.68
Indirect Administration (12%)	\$78,398	\$416,225.63
TOTAL PROGRAM EXPENSES	\$731,715	\$3,884,774.31

ACORDTM**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

10/01/2026

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

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

PRODUCER USI Insurance Services, LLC Lic # OG11911 10940 White Rock Rd 2nd Fl Rancho Cordova, CA 95670	CONTACT NAME: Alicia Montore PHONE (A/C, No, Ext): 916 589-8000 FAX (A/C, No): E-MAIL ADDRESS: alicia.montore@usi.com																					
INSURED 7770 & 7780 Stockton Blvd LLC 650 Howe Ave. #400-A Sacramento, CA 95825-4731	<table border="1"> <thead> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr> </thead> <tbody> <tr> <td colspan="2">INSURER A : Philadelphia Indemnity Insurance Co.</td><td>18058</td></tr> <tr> <td colspan="2">INSURER B : Redwood Fire and Casualty Insurance Co.</td><td>11673</td></tr> <tr> <td colspan="2">INSURER C :</td><td></td></tr> <tr> <td colspan="2">INSURER D :</td><td></td></tr> <tr> <td colspan="2">INSURER E :</td><td></td></tr> <tr> <td colspan="2">INSURER F :</td><td></td></tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A : Philadelphia Indemnity Insurance Co.		18058	INSURER B : Redwood Fire and Casualty Insurance Co.		11673	INSURER C :			INSURER D :			INSURER E :			INSURER F :		
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COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC OTHER:			PHPK2697568003	10/01/2026	10/01/2027	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 \$
A	AUTOMOBILE LIABILITY ☒ ANY AUTO OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS NON-OWNED AUTOS ONLY			PHPK2697568003	10/01/2026	10/01/2027	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	☒ UMBRELLA LIAB ☐ EXCESS LIAB ☒ OCCUR ☐ CLAIMS-MADE DED ☒ RETENTION \$ 10,000			PHUB915029003	10/01/2026	10/01/2027	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☒ Y ☒ N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	TLWC738637	10/01/2026	10/01/2027	☒ PER STATUTE ☐ OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liab			PHPK2697568003	10/01/2026	10/01/2027	\$1M Each Inc./\$3M Agg.
A	Abusive Conduct			PHPK2697568003	10/01/2026	10/01/2027	\$1,000,000 Each Conduct

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The General Liability and Auto Liability policy includes an automatic Additional Insured endorsement that provides Additional Insured status to the Certificate Holder only when there is a written contract that requires such status and/or only with regards to work performed by or on behalf of the named insured. The General Liability policy, Auto Liability, and Workers Compensation policies also include a Waiver of Subrogation in favor of the certificate holder when required by contract. Workers' Compensation Waiver of (See Attached Descriptions)

CERTIFICATE HOLDER**CANCELLATION**

City of Sacramento
 c/o Exigis LLC
 PO Box 947
 Murrieta, CA 92564-0000

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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DESCRIPTIONS (Continued from Page 1)

Subrogation is "specific" and it will be issued as an endorsement by the insurance carrier. 30-day notice of cancellation or material change applies or 10-day for non-payment of premium. Umbrella Limits are \$4M over the General Liability policy and \$2M over the Professional Liability, Auto Liability, and Employers Liability policies.

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: 
April Ludwig (Oct 6, 2026 08:48:51 PDT)

Title: Chief Executive Officer

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: 

Title: Senior Deputy City Attorney

Reviewed By:

Signature: 
Ya-yin Isle (Oct 6, 2026 09:53:52 PDT)

Title: City Housing Manager

Approved By:

Signature:

Title:

Additional Signature (if required):

Title: