

**AGREEMENT**

THIS AGREEMENT, entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2012, by and between the CITY OF SANTA MONICA, a municipal corporation (hereinafter referred to as "City"), and NAME OF ORGANIZATION, unit of government, or hospital, whose address is ADDRESS, (hereinafter referred to as "Contractor"), is made with reference to the following:

**RECITALS**

A. The City is a municipal corporation, duly organized, and validly existing under the laws of the State of California with the power to carry out its business as it is now being conducted under the statutes of the State of California and the Charter of the City.

B. The Contractor is a non-profit corporation, unit of government, or hospital, duly organized, validly existing, and in good standing under the laws of the State of California and the United States with corporate power to carry out its business as specified in its Bylaws and Articles of Incorporation.

C. The City desires to fund \_\_\_\_\_.

D. This Agreement covers \_\_\_\_\_ through \_\_\_\_\_ contingent upon the Contractor's ability to meet all requirements contained in this Agreement, the availability of adequate funds, and City Council approval.

E. NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

1. **TERM OF AGREEMENT**

The term of this Agreement shall be from \_\_\_\_\_, 2012 to \_\_\_\_\_, unless a shorter term is specified in the Special Grant Conditions (Exhibit A) attached hereto and made part hereof by reference, or unless this Agreement is sooner terminated as provided herein.

2. **PROGRAM SERVICES TO BE PERFORMED BY THE CONTRACTOR**

A. The Contractor shall, in a proper and satisfactory manner as determined by the City, implement, operate, conduct and perform program services as specified in the Special Grant Conditions (Exhibit A), Program Plan/Scope of Work (Exhibit B) and Program/Project Budget (Exhibit C) attached hereto and hereby incorporated by reference.

B. The City Manager, or his/her designee, may modify or amend Exhibits A, B or C to

this Agreement if the modification:

1. does not change the City Council approved program concept;
2. will not change the essential purpose of this Agreement.

C. The Contractor may perform any of its required services through a subcontractor if:

1. The subcontractor is approved in advance by the City;
2. The contractor informs the City in advance of any change in subcontractors and obtains advance approval by the City of the change;
3. The subcontractor abides by all of the terms and conditions of this Agreement including, but not limited to, all insurance requirements set forth in Section 17; and
4. Any agreement between the Contractor and subcontractor incorporates and includes by reference this Agreement.

### 3. CITY REVIEW OF THE CONTRACTOR'S PERFORMANCE

A. The City will monitor, evaluate, and provide guidance to the Contractor to ensure proper performance of this Agreement, and the Contractor shall fully cooperate in such activities. The City's provision of guidance shall not limit or diminish the Contractor's responsibilities.

B. The Contractor shall allow the duly authorized agents or employees of the City to inspect, during normal business hours, those records, books, accounts, documents, papers and other items of property of the Contractor in order to evaluate the Contractor's performance.

C. The City may interview or otherwise communicate with any employee or agent of the Contractor during normal business hours regarding the Contractor's performance. The Contractor shall cooperate with the City in arranging the communications.

### 4. GRANT AMOUNT, COMPENSATION AND METHOD OF PAYMENT

A. The Contractor shall appropriate and disburse grant funds and incur costs and expenses according to this Agreement, the Special Grant Conditions (Exhibit A), the Program Plan/Scope of Work (Exhibit B), and the Program/Project Budget (Exhibit C), and any modifications or amendments thereto. Grant amounts are subject to change annually and are contingent upon appropriations, program performance and City approval.

B. The City shall pay to the Contractor the annual grant award specified in the Special Grant Conditions (Exhibit A) and Program/Project Budget (Exhibit C) for full performance of services as specified in this Agreement. Grant funding may be renewed contingent on the availability of City funding, ability to meet all requirements contained in this Agreement, and City Council approval. Exhibits A, B, and C may be modified or amended administratively to reflect the funding level approved by the City Council.

C. The City at its discretion may advance funds to the Contractor unless otherwise specified in the Special Grant Conditions (Exhibit A) and any modification or amendment thereto. The City shall remit said advances within a reasonable time period after receipt and approval by the City of all required reports, as specified in Section 8 of this Agreement or unless otherwise specified in the Special Grant Conditions (Exhibit A).

D. The City may withhold or adjust the grant award at any time if the Contractor violates this Agreement.

E. The City may adjust the grant award, in its sole discretion, including but not limited to, if the period of program operations pursuant to this Agreement is less than the term specified in this Agreement, if there is a significant change to the number of program participants and geographical area to be served, if the program purpose is significantly changed, or if the Contractor ceases to exist.

## 5. RETURN OF GRANT FUNDS

A. The Contractor agrees that any funds unexpended during a fiscal year shall be returned to the City within twenty-five (25) days of the end of that fiscal year. If this Agreement is terminated prior to the end of a fiscal year, any unexpended funds shall be returned to the City within twenty-five days of the termination date.

B. If the Contractor expends grant funds on items not approved in the Program/Project Budget (Exhibit C) or in violation of this Agreement, those expenditures may be disallowed. The City shall notify the Contractor of any disallowed costs, and the amount disallowed shall be returned to the City within twenty-five (25) days of notification. The obligation to reimburse the City for any disallowed expenditures or misuse of funds shall survive the termination or expiration of this Agreement.

## 6. BUDGET MODIFICATION

A. A proposed modification of the Program/Project Budget (Exhibit C) must be submitted to the City and prior written approval must be obtained from the City for the following changes:

1. Any addition or deletion of a staff position funded in whole or in part by the City;
2. Any salary increase or decrease to a staff position funded in whole or in part by the City where the total cumulative increase or decrease for any given year exceeds ten percent (10%) of the approved salary;
3. Any increase or decrease to a non-salary related line item that changes the line item by ten percent (10%) or more;
4. Any change to a line item that would increase or decrease the amount paid pursuant to any subcontract with an organization that provides direct client services as approved by the City; and
5. Any change to a line item that provides subsidies, stipends, grants or awards to program participants, direct service providers or any other recipient of

direct program services.

## 7. FISCAL ACCOUNTABILITY AND REVIEW

A. The Contractor shall implement an accounting system that is in accordance with generally accepted accounting principles and standards. All expenditures shall be supported by properly executed payroll, time records, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to this Agreement, and shall be clearly identified and readily accessible to City personnel or agents.

B. The City may conduct, or have an agent conduct, such fiscal reviews as the City, in its sole discretion, may deem necessary to ascertain Contractor's fiscal integrity and compliance with this Agreement and all applicable laws, regulations and funding requirements. The Contractor agrees to fully cooperate with the City or its agent in fiscal reviews.

C. The Contractor agrees to have an annual agency audit performed by an independent Certified Public Accountant. The audit shall be conducted subject to applicable Federal and State statutes, including the requirements contained in the Federal Office of Management and Budget (OMB) circular A-133. The Contractor further agrees to complete this audit in a timely manner and to submit a copy of the audited financial statement upon its completion, including the auditor's management letter, to the City. The Contractor shall also submit a plan to resolve any audit findings, to the City. In the event the Contractor does not have an annual audit performed, it will be considered a violation of this Agreement and the City may have an audit performed by its duly authorized representative.

D. The Contractor agrees to accept responsibility for receiving, replying to and/or complying with any audit exceptions determined by appropriate City, State or Federal audit agencies. The Contractor also agrees to pay to the City, within twenty-five (25) days of demand by the City, the full amount of the City's liability, if any, resulting from any exceptions to the extent the exceptions are attributable to the Contractor's failure to perform properly any of its obligations under this Agreement.

## 8. REPORTS AND RECORDS

A. The Contractor shall complete semi-annual Program/Project Status Reports and semi-annual Fiscal Status Reports in accordance with the reporting instructions provided by the City and distributed to the Contractor at the beginning of the contract term, or unless otherwise specified in the Special Grant Conditions (Exhibit A) and any modification or amendment thereto. The Contractor shall submit to the City each Program and Fiscal Status Report on or before the deadline set forth in the reporting instructions. The Contractor's reports to the City shall separately include fiscal and program/project information regarding the activities of any approved subcontractor's performance of required services under this Agreement. All reports shall be signed by an authorized signatory of the Contractor.

B. Supplemental reports may be requested to further assess program performance for funding.

C. The Contractor agrees to provide upon request additional information including, but not limited to, copies of board minutes, articles of incorporation, bylaws, board roster, personnel policies, job descriptions and staff qualifications of City-funded positions, board recruitment efforts, outreach plans, case management standards, audited financial statements, grievance procedures, fiscal policies and procedures and any other reports, books, records and data as may reasonably be required by the City to review the Contractor's performance pursuant to this Agreement.

D. The Contractor shall comply with Section 6104 of the Internal Revenue Code relating to public disclosure of certain tax information filed with the Internal Revenue Service. The Contractor shall maintain records of all requests for inspection pursuant to Section 6104 of the Internal Revenue Code and its response to the requests. The records shall be available for inspection and copying by the City upon reasonable notice to the Contractor.

E. Either an original or legible photo static copy of each and every report, book, record, or other data prepared or supplied by the Contractor in accordance with the terms and conditions of this Agreement shall be retained by the Contractor for a period of at least five (5) years following the termination or expiration of this Agreement.

#### 9. CONTRACTOR PERSONNEL

A. As part of its reporting obligations, the Contractor must notify the City in writing of all significant changes in personnel funded in full or in part by this grant, of all changes in administrative, program, and fiscal staff having responsibility for this grant whether or not these positions are directly funded by the City, and of all changes in the membership of the Board of Directors including Board Officers.

B. The Contractor must notify the City in writing of any change to the number of Full Time Equivalent (FTEs) allocated to the program regardless of funding source.

C. The Contractor shall keep on file all job descriptions and resumes of all positions funded in whole or in part by the City.

D. The Contractor shall adopt and maintain personnel policies that outline the minimum qualifications for hiring. All policies shall adhere to the non-discrimination requirements specified in Section 10 of this Agreement.

#### 10. NON DISCRIMINATION REQUIREMENTS

A. The Contractor will comply with Title VI of the Civil Rights Act of 1964, 42 USC Section 2000d and with Section 504 of the Rehabilitation Act, 29 USC Section 794. In

accordance with these Acts and other Federal, State and local laws, no person in the United States shall, on the grounds of race, creed, color, disability, national origin, sex, age, marital status, sexual preference, HIV/AIDS status, political affiliation or religious beliefs, be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination under any program or activity provided by the Contractor.

The Contractor and any of its subcontractors shall adhere to all regulations set forth by the Americans with Disabilities Act (ADA).

B. The Contractor shall make every effort to ensure that all projects funded in whole or in part by the City shall provide equal employment and career advancement opportunities for minorities, women, and persons with disabilities.

C. The Contractor shall keep such records and submit such reports concerning applicants for employment and employees as the City may require. Additionally, the Contractor shall maintain records documenting outreach activities to include persons with disabilities and all other segments of the community to be served as clients, staff, board members and volunteers. The Contractor shall provide reasonable accommodations for the employment of qualified applicants with disabilities. The Contractor agrees to comply with the rules, regulations or guidelines as the City may issue to implement these requirements. The Contractor shall abide by and conform to any and all laws, ordinances, regulations and policies of the United States, the State of California and the City of Santa Monica.

## 11. GRIEVANCE PROCEDURES

Contractor shall maintain written grievance procedures specifying the steps Program participants may take to file and resolve a grievance against the organization and/or Program. Grievance procedures shall be made available to all Program participants at the point of intake or services and by posting written procedures in a clearly visible and accessible location. Contractor shall maintain a centralized record of all grievances made by Program participants and shall document the final resolution of the grievance.

## 12. TERMINATION

A. In the event the Contractor defaults in the performance of this Agreement or materially breaches any of its provisions, the City shall have the option of terminating this Agreement immediately upon written notification as provided in Section 26. The notice shall state the reasons for the termination. The Contractor may appeal the termination to the City Council; however, the appeal will not stay the termination. The City Manager shall immediately notify the City Council of any action to terminate this Agreement. The City shall be the sole judge as to whether the performance of the Contractor is in default or if there is a breach of this Agreement.

B. This Agreement may be terminated without cause by either party by giving sixty (60) days prior written notice, or by a shorter period mutually agreed upon by the parties, to the other party as provided in Section 26.

C. If this Agreement is terminated in accordance with this Section, the Contractor shall, within five (5) days from receipt of the notice of termination, give notice of the termination to all other parties he/she has subcontracted with for services in furtherance of this Agreement. Upon any termination, each party shall pay or refund to the other party all appropriate sums under this Agreement.

13. COMPLIANCE WITH LAWS

The Contractor shall comply with all Federal, State and local laws, ordinances, regulations and directives as they relate to the performance of this Agreement and to any funding source requirements specified in the Special Grant Conditions (Exhibit A) or any modifications or amendments thereto. Contractor shall take all actions required to maintain its tax exempt status during the term of this contract. The Contractor is independently responsible for complying with all statutes and regulations.

14. INDEPENDENT CONTRACTOR

The Contractor is an independent contractor and not an agent, employee, officer or otherwise of the City.

15. PUBLIC STATEMENTS

The Contractor shall indicate in any press release, brochure, annual report, flyer announcement or statement related to the program funded under this Agreement that it is funded by the City of Santa Monica.

16. INDEMNIFICATION AND HOLD HARMLESS

A. The Contractor shall indemnify and hold harmless the City, its City Council, boards and commissions, officers, agents, volunteers and employees from and against any and all loss, damages, liability, claims, suits, costs and expenses, whatsoever, including reasonable attorneys' fees, arising out of the negligence of the Contractor, its officers, employees, volunteers or agents connected to the services or work conducted pursuant to this Agreement.

B. The Contractor agrees that all participants in the Program assigned to or employed by the Contractor in its performance under this Agreement are agents, volunteers, employees or officers of the Contractor and not the agents, employees, volunteers, or officers of the City.

17. INSURANCE

A. Prior to commencing work, the Contractor shall procure and maintain at Contractor's own cost and expense for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the

performance of the work or services hereunder by the Contractor, his agents, representatives, employees, or subcontractors. The cost of such insurance shall be included in Contractor's bid.

Without in any way affecting the indemnity provided, the Contractor shall secure before commencement of the work and throughout the contract the following types and amounts of insurance:

B. Minimum Limits of Insurance. Contractor shall obtain insurance of the types and in the amounts described below:

1. Commercial General Liability Insurance  
Contractor shall maintain commercial general liability (CGL) with a limit of not less than \$1,000,000 each occurrence/\$2,000,000 in the annual aggregate.
2. Business Auto Insurance  
Contractor shall maintain business auto liability with a limit of not less than \$1,000,000 each accident.
3. Workers' Compensation and Employer's Liability Insurance  
Contractor shall maintain workers' compensation insurance as required by the State of California and Employer's Liability Insurance in the amount of \$1,000,000 per accident for bodily injury or disease.
4. Crime Coverage. The Contractor shall provide a comprehensive crime coverage policy which shall include the following coverages:
  - a) Employee dishonesty coverage.
  - b) Monies and securities coverage both inside and outside the premises.
  - c) Depositors forgery coverage.
5. The Contractor shall provide insurance in the following minimum amounts based on the amount funded by the City to the Contractor:

\$0	-	\$100,000	\$25,000 minimum limit
\$100,001	-	\$250,000	\$50,000 minimum limit
\$250,001	-	\$500,000	\$75,000 minimum limit
Over \$500,000		\$100,000	minimum limit

C. Minimum Scope of Insurance

1. CGL insurance shall be written on Insurance Services Office form CG 00 01 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and explosion, collapse and underground hazards.

2. Business Auto Insurance shall cover liability arising out of any auto (including owned, hired, and non-owned autos). Coverage shall be written on Insurance Services Office form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01.

D. Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City of Santa Monica, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City Of Santa Monica, its officers, officials, employees or volunteers; or the Contractor shall provide a financial guarantee satisfactory to the City Of Santa Monica guaranteeing payment of losses and related investigation, claim administration and defense expenses.

E. Other Insurance Provisions:

1. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:
  - a) City of Santa Monica, its officers, officials, employees, and volunteers are to be covered as additional insureds with respect to liability arising out of automobiles owned, leased, hired, or borrowed by or on behalf of the contractor; and with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. Under the CGL policy, using the Insurance Services Office additional insured endorsement form CG 20 10 or a substitute providing equivalent coverage, and under the commercial umbrella, if any. City and other additional insureds mentioned in this paragraph shall not, by reason of their inclusion as additional insureds, become liable for any payment of premiums to carriers for such coverage.
  - b) For any claims related to this project, the Contractor's insurance coverage shall be primary as respects the City of Santa Monica, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Santa Monica, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
  - c) Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under subdivision (b) of Section 2782 of the Civil Code.
2. General Liability, Workers' Compensation and Employer's Liability

The insurer shall agree to waive all rights of subrogation against the City of Santa Monica, its officers, officials, employees, and volunteers for losses arising from activities and operations of Contractor in the performance of services under the contract.

3. All Coverages

a) Each insurance required by this clause shall be endorsed to state that coverage shall not be canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given (add user department and specify specific individual and title) to the City.

b) If Contractor, for any reason, fails to maintain insurance coverage which is required pursuant to this Contract, the same shall be deemed a material breach of contract. City, at its sole option, may terminate this Contract and obtain damages from the Contractor resulting from said breach. Alternatively, City may purchase such coverage (but has no special obligation to do so), and without further notice to the Contractor, City may deduct from sums due to the Contractor any premium costs advanced by the City for such insurance.

4. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:6 unless otherwise approved by the City's Risk Manager.

5. Verification of Coverage

Contractor shall furnish the City of Santa Monica with original certificates and amendatory endorsements effecting coverage required by this section. The certificates and endorsements for each policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements should be on forms provided by the City of Santa Monica or on other than the City of Santa Monica's forms, provided those forms and endorsements conform to the requirements. All certificates and endorsements are to be received and approved by the City of Santa Monica before work commences. The City of Santa Monica reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

6. Subcontractors

Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements

stated herein.

18. PERMITS AND LICENSES

The Contractor, at its sole expense, shall obtain and maintain during the term of this Agreement, all appropriate permits, licenses and certificates that may be required in connection with the performance of services hereunder.

19. PROHIBITION AGAINST TRANSFERS

The Contractor shall not assign, sublease, hypothecate, or transfer this Agreement or any interest therein directly or indirectly, by operation of law or otherwise without the prior written consent of the City. Any attempt to do so without the City's written consent shall be null and void, and any assignee, sub lessee, hypothecatee or transferee shall acquire no right or interest by reason of the attempted assignment, hypothecation or transfer. In the event that a subcontract, assignment or transfer of this Agreement, or any portion thereof, is approved by the City, all appropriate provisions and requirements of this Agreement shall apply to any subcontract, assignment or transfer.

20. NOTICE TO THE CITY OF LABOR DISPUTES

Whenever the Contractor has knowledge that any actual or potential labor dispute involving clients or other employees is delaying or threatens to delay the timely performance of this Agreement, the Contractor shall immediately give written notice thereof, including all pertinent information, to the City.

21. COPYRIGHT

No material produced in whole or in part under this Agreement shall be subject to copyright in the United States or in any other country. Unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data or other materials prepared under this Agreement vests with the City.

22. LIMITATION ON COSTS

No cost shall be allowed under this Agreement which is not included in the Contractor's Program/Project Budget (Exhibit C) or any City approved modifications or amendments thereto.

23. PROPERTY ACQUISITION, CONTROL AND DISPOSITION

A. An inventory shall be maintained for each item of tangible personal property (including but not limited to office equipment) costing Five Thousand Dollars (\$5,000) or more per unit and having a useful life of one (1) year or more; real property and any interest in the real property; and any mortgage, trust deed, or other encumbrance of real property, and the funds received from the sale of any such encumbrance of real property.

B. In case of the Program's termination, title to the inventoried property shall vest in the City. The City reserves the right to determine the final disposition of non-expendable property, including funds and/or any other assets derived there from. Any utilization of funds from an encumbrance or other disposition, including the sale of non-expendable property, shall have the written approval of the City.

C. The Contractor shall obtain at least three (3) documented estimates prior to purchasing equipment over Five Thousand Dollars (\$5,000) per unit in value as approved in the budget. All equipment purchases must be approved in the budget and shall be initiated no later than the third quarter of the Program year, except under special circumstances with the prior written approval of the City. The above provisions apply to leasing as well as to purchasing equipment.

#### 24. NEPOTISM

The Contractor shall not hire nor permit the hiring of any person in a position funded under this Agreement if the person is an elected official or an employee of the City of Santa Monica, or if a member of the person's immediate family is an elected official or an employee of the City of Santa Monica, or is an employee of the Contractor or his/her subcontractors. For the purpose of this Section, the term "immediate family" means spouse, domestic partner, parent, child, brother, sister, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, stepparent and stepchild.

#### 25. CONFLICT OF INTEREST.

A. The Contractor covenants that no board member, employee or agent of contractor has or shall have or acquire any personal, financial or economic interest, direct or indirect, from or through this Agreement. However, employees may receive compensation for performance pursuant to the Agreement. For the purposes of this Section, an economic or financial interest includes:

B. Any business entity in which the person has a direct or an indirect investment worth more than One Thousand Dollars (\$1,000).

C. Any real property in which the person has a direct or indirect interest worth more than One Thousand Dollars (\$1,000).

D. Any source of income, loans or gifts which, when combined, are worth Two Hundred Fifty Dollars (\$250) or more in value received by or promised to the person within twelve (12) months prior to the time this Agreement was executed.

E. Any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management.

F. For the purpose of this Section, direct or indirect interest means any investment or interest owned by the spouse, domestic partner, parent, child, brother, sister, father-in-law,

mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter -in-law, or the person, by an agent on his/her behalf, by any business entity controlled by said person or by a trust in which he/she has substantial interest. A business entity is controlled by a person if that person, his/her agent, or a relative, as defined above, possesses more than fifty percent (50%) of the ownership interest. A person has a substantial interest in a trust if said person or an above-defined relative has a current or future interest worth more than One Thousand Dollars (\$1,000).

26. NOTICES

A. All notices, demands, requests, or approvals which are required under this Agreement, or which either the City or the Contractor may desire to serve upon the other, shall be in writing and shall be conclusively deemed served when delivered personally or forty-eight (48) hours after the deposit thereof in the United States mail, postage prepaid, registered or certified, and addressed as hereinafter provided.

B. All notices, demands, requests, or approvals from the Contractor to the City shall be addressed as follows:

City of Santa Monica - Housing Division  
Attn: Housing Manager  
1901 Main Street, Suite B  
Santa Monica, CA 90405

C. All notices, demands, requests or approvals from the City to the Contractor shall be addressed to the address and contact person specified in the Special Grant Conditions (Exhibit A) or any modifications or amendments thereto.

27. AUTHORITY TO BIND CONTRACTOR

Upon receipt of a fully executed copy of this Agreement, the Contractor shall furnish to the City a written list of the persons authorized to execute, on behalf of the Contractor, agreements, contracts, modifications to contracts, or other documents as they may be required by the City. In the event authority is delegated to a position (e.g., President, Vice-President, Treasurer) rather than to an individual, the list of positions and individuals filling those positions so authorized shall be furnished. If any changes should occur to this list during the term of this Agreement, a revised copy shall be promptly furnished to the City.

28. WARRANTY OF SERVICES

The Contractor warrants and guarantees that all services performed hereunder for the City by the Contractor shall be performed in a manner commensurate with the highest professional standards.

29. RELIGIOUS ACTIVITIES

A. No program funds provided under this Agreement may be expended directly or indirectly in any activities, either establishing or opposing religion or impairing the free

exercise of religion.

B. No equipment, materials, or premises acquired, or obtained through funds provided under the terms of this Agreement may be used directly or indirectly for any activity either establishing or opposing religion or impairing the free exercise of religion.

### 30. POLITICAL ACTIVITY

A. The Contractor shall not expend any funds provided under this Agreement or use or cause the use of staff time, facilities, premises, equipment, materials or supplies which are provided or designated as a part of the Program funded under the terms of this Agreement for any political purpose. Political purpose is defined as participation or intervention in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office, any initiative, referenda, ballot measure, recall, or any partisan or non-partisan electoral activity, including but not limited to:

1. Sponsoring, conducting, or facilitating candidate's meetings or other political meetings.
2. Any activity designed to pass or defeat any initiative, recall, referenda, or ballot measure.
3. Circulation of petitions to qualify initiatives, referenda or recall measures for local or State ballots.

B. The Contractor shall not expend any funds provided under this Agreement or use or cause the use of staff time, facilities, premises, equipment, materials or supplies which are provided or designated as a part of the Program funded under the terms of this Agreement for lobbying activity that is prohibited by law.

### 31. VOTER REGISTRATION

The Contractor will make available voter registration materials at program sites throughout the term of this Agreement. The Contractor may assist with registering persons to vote but shall not perform the activities for a specific political purpose as defined in Section 30.

### 32. INTEGRATED AGREEMENT

Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or any one acting on behalf of any party, which are not embodied herein. Any amendment or modification to this Agreement will be effective only if in writing and signed by both parties.

### 33. PARTIAL INVALIDITY

If any provision of this Agreement is held by any competent court to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

34. WAIVER

A waiver by the City of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

35. GOVERNING LAW

The validity of this Agreement and any of its terms or provisions, as well as the rights and duties hereunder, shall be interpreted and construed pursuant to and in accordance with the laws of the State of California.

36. SECTION HEADINGS

The section headings appearing herein shall not be deemed to govern, limit, modify or in any way affect the scope, meaning or intent of these conditions.

37. COST OF LITIGATION

If any legal action is necessary to enforce any provision hereof or for damages by reason of an alleged breach of any provisions of this Agreement, the prevailing party shall be entitled to receive from the losing party all costs and expenses and such an amount as the court may adjudge to be reasonable attorney's fees.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written.

CITY OF SANTA MONICA,  
A Municipal Corporation

BY: \_\_\_\_\_  
Rod Gould  
City Manager

CONTRACTOR:  
A California Non Profit Corporation

BY: \_\_\_\_\_  
Tod Lipka, President & CEO  
Step Up on Second

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
MARSHA JONES MOUTRIE  
City Attorney

\_\_\_\_\_  
MARIA STEWART  
City Clerk

EXHIBIT A  
Special Grant Conditions

DRAFT

EXHIBIT B  
Program Plan/Scope of Work

DRAFT

EXHIBIT C  
Program/Project Budget

DRAFT