



COMMUNITY DEVELOPMENT COMMISSION

County of Los Angeles

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Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

July 15, 2003

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE COMMUNITY DEVELOPMENT BLOCK GRANT REIMBURSABLE
CONTRACT AMENDMENT WITH TOPANGA COMMUNITY CLUB (3)
(3 Vote)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the renovation of restrooms at 1440 North Topanga Canyon Boulevard, in the unincorporated Topanga area of Los Angeles County, is excluded from the National Environmental Policy Act (NEPA) and exempt from the California Environmental Quality Act (CEQA), as described herein, because the proposed work will not have the potential for causing a significant effect on the environment.
2. Approve Amendment No. 2 to Community Development Block Grant (CDBG) Reimbursable Contract No. 101285 with Topanga Community Club, presented in substantially final form, to increase the amount by \$31,000, from \$70,000 to \$101,000, to fund the design and renovation of two restrooms to meet Americans with Disabilities Act (ADA) requirements, using CDBG funds allocated to the Third Supervisorial District, to be effective following approval as to form by County Counsel and execution by all parties, through December 31, 2003.
3. Instruct the Executive Director of the Community Development Commission to execute four copies of the standard CDBG Reimbursable Contract Amendment, in substantially the form of the attached, and all necessary amendments thereto on behalf of the County of Los Angeles.

Honorable Board of Supervisors

JUSTIFICATION/PURPOSE OF RECOMMENDED ACTION:

On May 27, 2003, your Board approved the 2003-2004 One-Year Action Plan for the Twenty-ninth Program Year (July 1, 2003 through June 30, 2004) to receive CDBG funds from the U.S. Department of Housing and Urban Development (HUD) for the purposes of meeting the County's housing and community development needs. The proposed CDBG Reimbursable Contract Amendment is consistent with the purposes set forth in the Action Plan.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The proposed CDBG Reimbursable Contract Amendment will be funded with a total of \$31,000 in CDBG funds allocated to the Third Supervisorial District.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Topanga Community Club is a non-profit organization, with a membership of approximately 150 persons, that serves the entire Topanga community. The organization annually hosts activities and programs for approximately 600 persons age two and above. Activities include monthly senior citizen luncheons, weekly substance abuse prevention meetings, organized youth team sports, holiday celebrations, disaster relief training, and community meetings. The project is located at 1440 North Topanga Canyon Boulevard, in the unincorporated Topanga area of Los Angeles County.

On October 1, 2002, your Board approved a CDBG Reimbursable Contract in the amount of \$70,000 with the Topanga Community Club to fund the design and renovation of two restrooms to meet ADA requirements, through June 30, 2003. The contract was later administratively extended through December 31, 2003.

CDBG funds are to be used for outside consultants to design, construct and administer the project to allow the disabled to safely utilize the facilities. However, construction estimates received during the bid process were higher than estimated, requiring that additional funds be applied to the project. The attached CDBG Reimbursable Contract Amendment will provide the necessary funding to complete the project.

Should the agency require additional or replacement personnel during the term of the contract, it will give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program who meet the minimum qualifications for the open positions. The agency will contact the County's GAIN Division for a list of participants by job category.

Honorable Board of Supervisors
July 15, 2003
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The minority and female composition of the Board of Directors and staff of the Topanga Community Club is provided with this letter as Attachment A.

CDBG Reimbursable Contract Amendment No. 2 is presented as Attachment B and will be effective following approval as to form by County Counsel and execution by all the parties.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to 24 CFR Part 58, Section 58.35 (a)(3)(ii) this project is excluded from the need to prepare an Environmental Impact Statement or an Environmental Assessment under the provisions of NEPA because it involves activities that will not alter existing environmental conditions. It is exempt from the provisions of CEQA pursuant to State CEQA Guideline 15301 because it involves negligible or no expansion of use beyond what currently exists and therefore does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROJECT:

The project meets the HUD national objective of serving at least 51 percent low- and moderate-income persons. It will improve accessibility for the disabled in the Third Supervisorial District.

Respectfully submitted,

CARLOS JACKSON
Executive Director

Attachments: 2

ATTACHMENT A

**APPROVE CDBG REIMBURSABLE CONTRACT AMENDMENT WITH
TOPANGA COMMUNITY CLUB (3)**

Participation of Minorities and Women

Board of Directors

Total: 6
1 Minority
5 Women
17% Minority
83% Women

Employees

Total: 1
0 Minority
1 Women
0% Minority
100% Women

The Commission encourages the participation of minorities and women in the contract award process including: providing information about the Commission at local and national conferences; conducting seminars for minorities and women regarding the Commission's programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations which represent minorities and women. The above information has been voluntarily provided by the Topanga Community Club.

The recommendations to award the CDBG Reimbursable Contract Amendment to the Topanga Club is being made in accordance with federal regulations, and without regard to race, creed, color, gender, religion, or sexual orientation.

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT
AMENDMENT NUMBER 2**

Project Title: TOPANGA COMMUNITY CLUB ADA RESTROOM IMPROVEMENT

Project Number: 600426-02 CONTRACT NUMBER: 101285

THIS AMENDMENT TO CONTRACT made this _____ day of _____ 2003, by the County of Los Angeles, hereinafter called the "County," acting by and through the Community Development Commission of the County of Los Angeles, and the Topanga Community Club, hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County and the Operating Agency previously entered into a Community Development Block Grant Program Reimbursable Contract, Contract Number 101285, Community Development Project Number 600426-02, dated October 2, 2002; and amended March 28, 2003; and

WHEREAS, County and Operating Agency desire to amend said Contract in order that Operating Agency may better implement the project.

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree that said Contract Number 101285 be amended as follows:

1. **SECTION 39, INSURANCE**, has been amended to the following: Without limiting Operating Agency's indemnification of County, the Operating Agency shall provide and maintain at its own expense during the term of this Contract, a program of insurance satisfactory to the Commission's Risk Manager covering its operations hereunder, as specifically defined in **Exhibit B.2** to this Contract, a copy of which is attached hereto and incorporated herein by this reference.
2. **SECTION 5, COMPENSATION AND METHOD OF PAYMENT**, has been amended to show the following: one hundred and one thousand dollars (**\$101,000**). This is an increase of thirty-one thousand dollars (**\$31,000**) to the project amount.
3. **SECTION 6, BUDGET SECTION**, has been amended to reflect the new compensation amount of one hundred and one thousand dollars (**\$101,000**).
4. All other terms and conditions of said Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the County and the Operating Agency, through their duly authorized officers, have executed this amendment as of the date first above written.

COUNTY OF LOS ANGELES

TOPANGA COMMUNITY CLUB

Operating Agency

By: _____
CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____

Title: _____

APPROVED AS TO FORM:

APPROVED AS TO PROGRAM:

LLOYD W. PELLMAN
County Counsel

CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Deputy

By: _____
Director, CDBG

**Community Development Commission
County of Los Angeles
Project Description and Activity Budget**

Contract No. 101285
PROJECT

Version 2

OPERATING AGENCY

Project No.: 600426-02
Title: Topanga Community Club ADA Restroom Improvement

Organization
Name: Topanga Community Club

Funding Period: From 10/1/02 To 12/31/03

Type: CBO

Jurisdiction: 3rd District

CDC Program Mgr: Oscar Alvarado

Project Administration

Cynthia Scott, Project Manager
P.O Box 652
Topanga, CA 90290
phone (310) 455-0950

fax (310) 455-8945

Eligibility Summary

Funding Source: CDBG

HUD Code: 03 Public Facilities and Improvements

Eligibility Citation: 570.201(c)

National Objective: LMC Low/Mod Limited Clientele

Nat. Objective Citation: 570.208(a)(2)(ii)(A)

Est. Accomplishments: 1 Performance Indicator: Public Facilities

Activity Summary

This project involves the renovation of the facility's two (2) existing restrooms, one (1) male and one (1) female, to meet ADA requirements. The Topanga Community Club is a non-profit organization with a membership of approximately 150 persons, but is unique in that it serves the entire community of Topanga. The people that receive services through the Community House range in ages from two years thru senior citizens. The Community House hosts more than 600 activities and programs annually. Some of these programs include a monthly senior luncheon, weekly substance abuse prevention meetings, organized youth team sports, holiday celebrations, disaster relief training and various community meetings.

CDBG funds will be used to pay for design, construction, consultant fees, advertising expenses, office supplies, and reproduction of architectural documents.

Special Conditions

The Operating Agency is advised that ten percent (10%) of the construction contract award must be retained by the Operating Agency to allow for the availability of funds to remedy any outstanding labor compliance or related Davis-Bacon Act violations. Upon completion of the construction project, the Operating Agency must request a file review by the Contract Compliance Officer within thirty (30) days of completion of the construction project. All labor compliance issues and federal contract compliance requirements must be

cleared by the Community Development Commission (CDC) prior to releasing the ten percent (10%) retention to the prime contractor.

The Operating Agency is advised that Davis Bacon/Federal Labor Standards will apply to all construction work comprising \$2,000 or more in cost. However, these requirements apply to the rehabilitation of residential property only if such property contains 8 or more units.

The Operating Agency will comply with procurement standards outlined in, 24 CFR, Part 84, Section 84.44, entitled Procurement Procedures, for the purchase of all goods and contracted services using CDBG or ESG funds.

The Operating Agency is responsible for monitoring the activities of the subrecipient for program implementation and compliance.

The Operating Agency shall maintain during the term of this Contract and for a period of three (3) years thereafter complete and adequate financial records and accounts as are considered necessary by the Commission to assure proper accounting for all program funds and to support all program expenditures. These records and accounts shall include, but not be limited to, the following: a General Ledger that supports the costs charged to the CDBG or ESG Program; records documenting procurement of goods and services; contracts for goods or services; lease or rental agreements; invoices; billing statements; cancelled checks; timecards signed by employees and supervisors; personnel authorization records; payroll registers; payroll tax records; and bank statements, bank reconciliations and documentation to support the allocation of indirect costs.

The Operating Agency shall execute a professional services agreement with each consultant/contractor prior to incurring any costs or distributing any CDBG or ESG funds, in compliance with federal contractual requirements.

Contracted Services/Subrecipients

The Operating Agency will contract the professional services of a Project Manager to oversee the project, and an architect for design. The Operating Agency will also contract with Mark Friendship Construction for construction services.

Funding Summary

Formula Grant Funding

<u>Cost Category</u>	<u>Amount</u>
Non-Personnel	\$10,000
Capital Outlays	\$91,000
Total	\$101,000

Implementation Schedule

<u>Phase</u>	<u>Scheduled</u>	<u>% Complete</u>
Preparation of Bid Document	3/15/03	4%
Pre-Bid	3/30/03	6%
Bid-Opening	4/10/03	8%
Contract Award	6/12/03	10%
Pre-Construction	6/23/03	12%
Mid-Construction	7/30/03	54%
Construction Completed	8/30/03	96%
Post Construction/Labor Review	9/30/03	100%

Service Area/Site Address(es)

Site Name Topanga Community Club
Address 1440 N. Topanga Canyon Blvd.
Topanga 90290-

Site Comments: Site Type: Construction Site

INSURANCE REQUIREMENTS FOR OPERATING AGENCIES

CONTRACTS BETWEEN \$100,000 AND \$499,999.99

The Community Development Commission (CDC) of the County of Los Angeles, the Housing Authority of the County of Los Angeles (HA) and the County of Los Angeles (County) share concerns of Operating Agencies' facing the current high cost of insurance when funds are so urgently needed to meet other costs. Insurance, however, provides the only means by which an Operating Agency can insure its continuance, and meet its obligations to the community. It is also the only method by which the CDC, the HA and the County can protect themselves from contingent exposure to claims resulting from their operations. Prior to the Operating Agency receiving funds, the CDC or the HA will review the activities of the Operating Agency. Those Operating Agencies whose activities present no meaningful exposure to the CDC, the HA and the County may have certain insurance coverages waived by the CDC Risk Management Administrator upon the written request of the Operating Agency.

Prior to the execution of this contract, Operating Agencies must provide evidence that all insurance requirements have been met. Evidence of said insurance consisting of **Certificates of Insurance** and original endorsements as required, having been reviewed and approved as being sufficient by the CDC. Exceptions will be handled on a case by case basis.

In the event of any lapse of required insurance coverage during the term of this Contract, no funds will be advanced, reimbursed, or disbursed until all insurance requirements have been met and evidence of said insurance consisting of **Certificates of Insurance** and original endorsements as required, have been reviewed and approved as being sufficient by the CDC. Failure to maintain proper insurance coverage will be cause for termination of said Contract.

INDEMNIFICATION:

Operating Agencies shall indemnify, defend and hold harmless the CDC, the HA, the County, and their appointed officials, employees, agents or volunteers ("Covered Entities") from and against any and all liability, including but not limited to demands, claim actions, fees, costs and expenses (including attorney and expert witness fees); arising from or connected with Operating Agency Acts and/or omissions arising from and/or relating to this agreement.

Without limiting its indemnification of the "Covered Entities", each Operating Agency shall be required, if funded, to provide the following insurance or evidence of formal self-insurance to meet contract requirements:

1. **GENERAL LIABILITY INSURANCE:** Written on ISO policy form CG 00 01 or its equivalent with limits of not less than the following: **General Aggregate: \$500,000; Products/Completed Operations Aggregate: \$500,000; Personal and Advertising**

Injury \$500,000; Each Occurrence: \$500,000. Higher limits may be required depending on the type of services provided. This protects an Operating Agency against claims for injury or property damage brought by members of the public as a result of the Operating Agency's activities. It is not now uncommon for a jury to award \$1 million in judgements for successful claims, and regardless of the outcome, defense costs can be enormous. **General Liability Insurance** should pay the jury award and costs, thereby, protecting the Operating Agency's assets and insuring its continuance. The CDC cannot endorse Operating Agencies which are not financially responsible. It is in the best interests of the community for the CDC to maintain insurance and encourage the continuance of the services provided by the Operating Agency. In cases where the activities for the Operating Agency present no meaningful **General Liability exposure** to the "Covered Entities", the CDC Risk Management Administrator may waive this coverage upon the written request of the Operating Agency.

General Liability forms also exclude claims arising from the use of automobiles, and separate coverage is required.

2. **AUTOMOBILE LIABILITY INSURANCE:** Written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than **\$500,000** for each incident. Such insurance shall include coverage for all "owned", "hired", and "non-owned" vehicles, or coverage for "any auto". An Operating Agency should insure automobiles which they own. It should also be noted, however, that an Operating Agency can be held responsible for claims arising from its use of automobiles owned by volunteers, employees or contractors when conducting organization business. For this exposure, non-owned automobile liability coverage is required. This can be purchased in conjunction with most General Liability policies at a small additional premium. In cases where the funds for the activities given to the Operating Agencies presents no meaningful **Automobile Liability Exposure** to the "Covered Entities", the CDC Risk Management Administrator may waive coverage upon request of the Operating Agency.

3. **ADDITIONAL GENERAL LIABILITY COVERAGE REQUIREMENTS:**

General liability and automobile liability policies shall be endorsed to contain the following provisions:

- A. The "Covered Entities" are to be covered **as additional named insureds by endorsement** with respect to liability arising out of activities performed by or on behalf of the Operating Agency, including products and completed operations, premises owned, leased, or used.

B. The insurance coverage shall be primary insurance with respect to the “Covered Entities”. Any insurance or self-insurance maintained by the “Covered Entities” shall be in excess of the insurance and shall not contribute to it.

C. Coverage shall state that the insurance shall apply separately to each insured against whom the claim is made or suit is brought, except with respect to the limits of the insurer’s liability.

4. **WORKERS’ COMPENSATION AND EMPLOYERS’ LIABILITY INSURANCE:** Provide workers’ compensation benefits as required by the Labor Code of the State of California, and in all cases, this insurance shall include Employers’ Liability coverage Limits of not less than the following: **Each Accident: \$1,000,000; Disease-policy limit: \$1,000,000 and Disease-each employee: \$1,000,000.** Even if an Operating Agency has no regular employees, it can be held responsible for the payment of **workers’ compensation benefits** to contractors or volunteers who can show that they are being recompensed for their services in some way by the Operating Agency. Basic coverage is almost always necessary to protect an Operating Agency and to insure compliance with the State Labor Code.
5. **BLANKET DISHONESTY BOND:** Coverage for the total amount of the grant. This is required to safeguard federal funds held or used by the Operating Agency. Incidents have occurred in the past where federal funds have been stolen or embezzled by an Operating Agency employee, and the Operating Agency has been financially unable to recover the loss.
6. **PROFESSIONAL LIABILITY INSURANCE:** If applicable, in an amount of **not less than \$500,000 aggregate** combined single limit, unless this requirement has been waived in writing. This extends coverage claims arising from negligent professional activities such as medical treatments, psychiatric or financial counseling, etc. These exposures are excluded under the general liability form. In cases where the activities for the Operating Agency present no meaningful professional exposure, CDC Risk Management may waive compliance with this contract provision upon written request.
7. **PROPERTY COVERAGE:** If applicable, under the terms of Contract, the Operating Agency will have possession of, rent, lease or be loaned County-owned real or personal property, the Operating Agency may be required to insure the property for replacement cost against fire and extended coverage perils including vandalism and malicious mischief.

NOTICE OF CANCELLATION

Except for non-payment of premium, each insurance policy shall be endorsed to state that the coverage shall not be suspended, voided, or canceled by either party or reduced in coverage except after thirty (30) days prior written notice has been given to the CDC.

SELF-INSURANCE

Where agencies are totally self-insured for any of the coverages required, or where deductibles or self-insured retentions exceed the limits of coverage required, evidence of a formal funded program of self-insurance will be accepted in lieu of commercial insurance. The agencies shall fully protect the "Covered Entities" in the same manner as their interest would have been protected had commercial insurance been in effect.

ACCEPTABLE INSURANCE CARRIERS

Acceptable insurance coverage shall be placed with carriers admitted to write insurance in California, or carriers with a rating equivalent to, A: VIII by A.M. Best & Co. Any deviation from this rule shall require specific approval in writing from the CDC.

As previously stated, in the event of any lapse of required insurance coverage during the term of this Contract, no funds will be advanced, reimbursed, or disbursed until all insurance requirements have been met and evidence of said insurance consisting of Certificates of Insurance and original endorsements as required, have been reviewed and approved as being sufficient by the Community Development Commission of the County of Los Angeles. Failure to maintain proper insurance coverage will be cause for termination of said Contract.