

SEWER CONNECTION GRANT AGREEMENT
CITY OF CHICO COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
(City of Chico – Mindy R. Ulsh)
2661 Rafael Street / APN 006-051-002

This Agreement is made on 6-27-16, between the City of Chico, a municipal corporation ("City"), and Mindy R. Ulsh ("Owner").

WITNESSETH:

WHEREAS, the City is a municipal corporation that has received funds from the United States Department of Housing and Urban Development ("HUD") pursuant to the Community Development Block Grant Program and the implementing regulations and circulars thereto (collectively "CDBG Program") which may be used for providing more decent, safe, sanitary, affordable housing and related services for low-and moderate-income persons and families; and

WHEREAS, Owner owns the real property improved with a single family residence located at 2661 Rafael Street, City of Chico, California the ("Property"), which is in need of connection to the City's sewer system; and City has agreed to make a grant to Owner for the purpose of financing that sewer connection.

NOW, THEREFORE, City and Owner agree as follows:

I. SEWER CONNECTION GRANT

- A. City agrees to provide a grant with no repayment provision in the amount of Six Thousand Seven Hundred and Fifty-five Dollars (\$6,755.00) ("the Grant") to Owner for the purpose of paying the costs of connecting the Property to the sewer system ("the Project") as follows:

City Sewer Application Fee	\$ 210
City Sewer Trunk Fee.	\$1,693
City Lift Station Fee	\$ 532
Contractor Services (including permits)	\$4,320

- B. The City shall hold and administer the grant funds for the benefit of Owner and, except as otherwise provided, be disbursed by City to credit the City's sewer fee accounts and compensate the contractor employed by Owner to construct the Project.

Upon completion of Project and approval of both City and Owner, City shall disburse the grant assistance to the contractor for the payment of contractor services upon presentation of contractor's invoice in conformance with the Contractor's bid for the Project attached as Exhibit A.

II. CONSTRUCTION AND COMPLETION OF IMPROVEMENTS

- A. The construction of the Project shall be made by a contractor licensed under the laws of the State of California. Owner's employment of a contractor shall be under an Agreement in writing or bid signed by both the Owner and Contractor, a copy of which shall be furnished to City, and which shall provide that the Contractor will construct the Project for a total price not to exceed the amount of the amount allocated for Contractor services in the Grant.
- B. Unless expressly waived by City in writing, the Contractor shall also provide a signed statement attached as Exhibit "B" and confirming as follows:
1. That the Contractor will defend City, its officers, employees and agents, and hold City, its officers, employees and agents, harmless and free from any and all liabilities arising out of or in any manner related to the Contractor's performance under the Contractor's agreement with Owner(s) and that should any claim be made against City, its officers, employees or agents, by suit or otherwise, arising out of Contractor's performance under that agreement with Owner(s), then Contractor will defend City, its officers, employees and agents, and indemnify City, its officers, employees and agents, for the full amount of any judgment rendered against City, its officers, employees or agents, or any sums paid out of settlement or otherwise, including the payment of any and all attorney's fees.
 2. That the Contractor will maintain, throughout Contractor's performance, under Contractor's agreement Owner(s), general commercial liability insurance from one or more insurance companies licensed to do business in the State of California with a Best rating of "B" or better, or, in the alternative, an unlicensed U. S. domiciled company or companies with a rating of "A," which provides coverage for bodily injury, personal injury, and property damage liability in the amount of at least \$1,000,000 per occurrence, and \$2,000,000 in the aggregate for each occurrence, with a maximum policy deductible of \$5,000.
 3. That Contractor shall maintain worker's compensation insurance coverage, which shall be evidenced by a certificate of insurance in a form approved by City.
- C. The Project construction shall be performed in a workmanlike manner and in compliance with all applicable laws, ordinances, rules and regulations of all federal, state, county or municipal governments or agencies now in force or that may be enacted hereafter.
- D. No additions or changes to the Project shall be made without the prior written consent of City for each such change or addition. Changes and additions shall be submitted to City on a change order in the form attached hereto as Exhibit "C", and shall be approved and signed by Owner and Contractor. Any approved change orders shall be incorporated in and become a part of this Agreement.

- E. City, through its officers, agents or employees, shall have the right, at all reasonable times, to enter upon the Property to inspect work on the Project. If such work is not satisfactory to City, City may stop work on the Project and order the replacement or correction thereof or additions thereto and withhold all disbursements hereunder until such work on the Project is satisfactory to City. Notwithstanding the above, City is under no obligation to make or supervise the construction of the Project. Any inspection by City is for the sole purpose of protecting City's security and is not to be construed as a representation that the Project will be free from faulty material or workmanship. Owner should make or cause to be made such other independent inspections as Owner may desire for Owner's own protection.

III. DEFAULT AND REMEDIES

- A. Each of the following events shall constitute an event of default under this Agreement:
1. Substantial deviations from the Project without prior approval of City or the appearance of defective workmanship or materials which is not corrected within thirty (30) days after written notice thereof.
 2. Cessation of work on the Project prior to completion for a continuous period of thirty (30) days or more.
 3. The filing of any claim of lien against the Property or the service of any notice to withhold funds applicable to the Grant funds held by City's Trustee for Owner and the continued maintenance of such claim of lien or notice to withhold for a period of thirty (30) days without discharge or satisfaction thereof.
 4. Owner's assignment of any rights under this Agreement, either voluntarily or by operation of law.
 5. The sale of the Property prior to completion of the Project
 6. The breach of any covenant, warranty, promise or representation under this Agreement.

Upon any default, City has the right to terminate this Agreement. City shall also have the right, but not the obligation, to cure any default.

- B. No waiver of any default or breach by Owner hereunder shall be implied from any omission by City to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default in the express waiver and it shall be operative only for the time and to the extent therein stated.

C. City shall have the right to commence, appear in or defend any action or proceeding purporting to affect the rights, duties or liability of the parties hereunder for the benefit of Owner.

IV. MISCELLANEOUS

A. Owner acknowledges, understands and agrees as follows:

1. The relationship between Owner and City is solely that of grantee and grantor respectively, and City neither undertakes nor assumes any responsibility or duty to Owner to select, review, inspect, supervise, pass judgment upon or inform Owner of the quality, adequacy or suitability of the construction of the Project or the Contractors, subcontractors or material persons employed or utilized in constructing the Project.
2. City owes no duty of care to protect Owner against negligent, faulty, inadequate or defective construction of the Project.
3. Owner will permit HUD and the City or their designees to examine and inspect the work completed pursuant to this agreement, before and/or after completion.

B. Owner has read and understands the whole of this Agreement and agrees that no representation, promise or agreement not expressed in this Agreement has been made to induce Owner to enter into it.

IN WITNESS WHEREOF the parties have executed this Agreement in Chico, California, on the date first set forth above.

CITY



Mark Orme, City Manager

OWNER



Mindy R. Ulsh

APPROVED AS TO FORM:

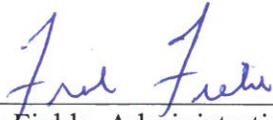


Vincent C. Ewing*

City Attorney Authorized pursuant to APP 27-4 and adoption of the City's Annual Budget
*Pursuant to The Charter of the City of Chico, Section 906(D)



APPROVED AS TO CONTENT:

A handwritten signature in blue ink that reads "Frank Fields". The signature is written in a cursive style with a large initial "F".

Frank Fields, Administrative Services Director*

*Reviewed by Risk Management, Human
Resources, Finance and Information Systems

Dale Ulsh
Forest Product & Excavation

P.O. Box , Forest Ranch, CA 95942
Phone: (530) 343-0461 Cell: (530) 864-5608
General Engineering Lic. 878761 Timber Operator Lic. A91445

Mindy Ulsh
2661 Rafael St.
Chico CA 95973

City sewer connection:

- Demo existing tank line. Pump tank and fill with concrete. Cover work area.
- Excavate old septic line to house. Remove walkway. Excavate new trench to required depth. Cover after inspection. Replace removed concrete
- Install new pipe from city sewer line to exiting connection in house.

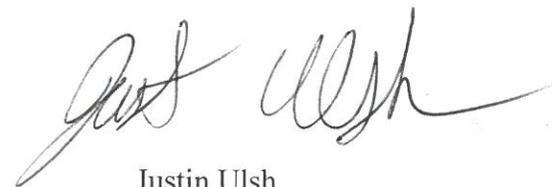
Permits and Plans:

- Required plumbing permit through city of chico.
- Demo and abandonment permit through county Health Department.

Labor:

- Bid total to include all labor, equipment, materials, and permits.

\$4,320.00
Bid shall be valid for 30 days from
May 26, 2016



Justin Ulsh
Bid officer

EXHIBIT "B"
SEWER CONNECTION GRANT AGREEMENT
(MUST BE SIGNED BY SELECTED CONTRACTOR AND SUBMITTED WITH BID)

Name of Contractor: DALE ULSH FOREST PRODUCTS & EXCAVATION
Business Address: P.O. BOX 344 FOREST RANCH, CA 95942
Phone: (530) 345-0461 OFFICE (530) 864-5608 CELL
E-mail: dulsh@att.net

As the selected Contractor, by signature below I certify the following statements in connection with a City agreement to provide funding to an eligible homeowner who has contracted with me for connection to the sewer system:

1. That the Contractor will defend City, its officers, employees and agents, and hold City, its officers, employees and agents, harmless and free from any and all liabilities arising out of or in any manner related to the Contractor's performance under the Contractor's agreement with Owner(s) and that should any claim be made against City, its officers, employees or agents, by suit or otherwise, arising out of Contractor's performance under that agreement with Owner(s), then Contractor will defend City, its officers, employees and agents, and indemnify City, its officers, employees and agents, for the full amount of any judgment rendered against City, its officers, employees or agents, or any sums paid out of settlement or otherwise, including the payment of any and all attorney's fees.
2. That the Contractor will maintain, throughout Contractor's performance, under Contractor's agreement Owner(s), general commercial liability insurance from one or more insurance companies licensed to do business in the State of California with a Best rating of "B" or better, or, in the alternative, an unlicensed U. S. domiciled company or companies with a rating of "A," which provides coverage for bodily injury, personal injury, and property damage liability in the amount of at least \$1,000,000 per occurrence, and \$2,000,000 in the aggregate for each occurrence, with a maximum policy deductible of \$5,000.
3. That Contractor shall maintain worker's compensation insurance coverage, which shall be evidenced by a certificate of insurance in a form approved by City.



(Signature)

Print Name and Contractor's License No. below:

DALE ULSH FOREST PRODUCTS & EXCAVATION

878761

EXHIBIT C

**SEWER CONNECTION FUNDING ASSISTANCE AGREEMENT
CONTRACT CHANGE ORDER NO. _____**

P.O. NO. _____

FOR

Job Address _____

Owner Name _____

The following change from schedule of connection to the City's sewer system for the above noted project has been discussed with the homeowner:

Estimated Cost: Increase \$ _____ Decrease \$ _____

By reason of this Change Order, the contract time of completion will be adjusted as follows:

The undersigned contractor has given careful consideration to the change proposed and hereby agrees, if this proposal is approved, that he/she will provide all equipment, furnish all materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefore the price shown above.

Accepted by Contractor _____ Date _____

Accepted by Owner _____ Date _____

Name(s)

Accepted by
Building Division _____ Date _____

Name

Title

Approved by
CDD _____ Date _____

Marie Demers
Housing Manager

Distribution

Contractor/Owner/Finance/Housing File