

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING (MOU) is made on _____, 2009 by and between the County of Solano on behalf of the Solano County Health and Social Services Department (SCHSSD), Solano County Counsel, Solano County Auditor Controller, and Community Action Partnership of Solano (CAP Solano) (that entity formed under the "Joint Exercise of Powers Agreement, Solano Safety Net Consortium," dated July 1999), a joint powers authority of Solano County,

1. PURPOSE

The purpose of this MOU is to designate the CAP Solano as the administrator of Housing Urban Development (HUD) money received by SCHSSD and define the responsibilities of the parties related to CAP Solano activities including, CSBG and other low income grants and fiscal services obtained by CAP Solano.

2. SCOPE OF SERVICES

Each party agrees to perform their respective roles, responsibilities and services described in the scope of services attached as Exhibit A.

3. TIME OF PERFORMANCE

A. This MOU is for a period of five years beginning July 1, 2009 and ending June 30, 2014.

B. Notwithstanding 3.A, there is no guarantee that services will be renewed under a new agreement following the expiration or termination of this Agreement.

4. CHANGES AND AMENDMENTS

Each of the Departments or the CAP Solano may request changes in the scope of services. Any mutually agreed upon changes shall be effective when incorporated in written amendments to this MOU.

5. CONTRIBUTIONS

SCHSSD will pass through a County Contribution to the CAP Solano in support of the CAP Solano, upon approval of County's annual budget, to be paid within 60 days of the adoption of

the County's budget each year.

6. **BILLING**

A. SCHSSD will transfer all HUD funds received to the CAP Solano to administer through a monthly billing from CAP Solano to SCHSSD, which details the costs and contracts paid using HUD funds.

B. County shall reimburse CAP Solano within thirty (30) days after receipt of billing invoice.

7. **TERMINATION**

A. This MOU may be terminated by either party, at any time, with good cause, upon 30 days written notice one to the other.

B. If either party defaults in its performance, the non-defaulting party shall promptly notify the other in writing. If the defaulting party fails to cure a default within 30 days after notification or if the default requires more than 30 days to cure and the defaulting party fails to commence to cure the default within 30 days after notification, then that failure shall terminate this Agreement.

8. **DISPUTE RESOLUTION**

If the parties fail to mutually to agree on any matters under this Agreement or if either party believes the other has failed to satisfactorily perform or is otherwise in breach of this Agreement the parties shall submit the matter to resolution in accordance with the following procedures:

A. If there is a disagreement, dispute or alleged breach arising out of or in connection with this Agreement, the disputing party shall first provide a written statement to the other describing the general nature of the claim.

B. The statement must indicate that it is the first statement of a formal dispute resolution process.

C. The statement need not be complete and does not limit the claim(s) of either party in any further action or procedure.

D. Within ten (10) business days of the receipt of the statement, the respective parties shall meet and confer in good faith to either: (1) Resolve the matter and set forth such resolution in

writing; or, (2) Define the dispute in writing including a description of each parties position, proposed resolution(s) and projects or tasks that would be affected.

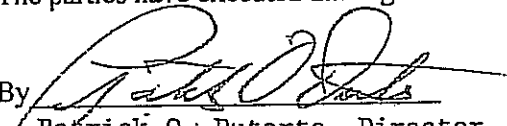
E. If the signatories to this MOU fail to resolve the matter, within ten (10) business days of such failure to agree, at least one (1) representative from the CAP Solano and SCHSSD shall meet and confer in good faith with the County Administrator to attempt to further resolve the matter. The description of the dispute as written by the respective parties shall serve as the basis for further attempts at resolution.

F. A resolution of the matter shall be memorialized in writing and incorporated into this MOU.

10. ENTIRE AGREEMENT

This MOU constitutes the entire agreement between the Solano County and the CAP Solano, except as to that certain agreement between CAP Solano and the County of Solano Auditor Controller dated May 18, 2009, attached as Exhibit B. There are no terms, conditions or obligations made or entered into by the parties other than those contained herein.

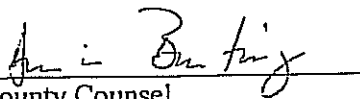
The parties have executed this Agreement the day and year first written above.

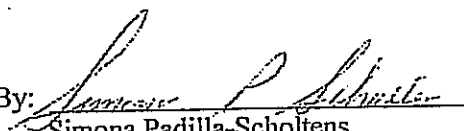
By 
Patrick O. Duterte, Director
Health and Social Services

By 
P.J. Davis, Executive Director
Community Action Partnership of Solano

Date _____

Date 5-30-09

By 
County Counsel

By: 
Simona Padilla-Scholtens,
Auditor Controller

Date June 4 09

Date 6-3-09

Scope of Work

I. COUNTY OBLIGATIONS TO THE COMMUNITY ACTION PARTNERSHIP OF SOLANO (CAP SOLANO)**A. Fiscal Services**

The Auditor-Controller shall provide various fiscal services, which are outlined in a separate written agreement between the CAP Solano and the Auditor Controller. The Auditor Controller will maintain a fund for the CAP Solano and provide the accounting services for funds received and expended by the CAP Solano. The County agrees to provide limited coverage for cash flow shortfalls in CAP Solano's operating fund. The CAP Solano agrees to reimburse the County in full, including interest, upon reimbursement by the funding source (i.e. HUD, CSBG, etc.).

Interest shall be earned or charged to the CAP Solano based on CAP Solano's average daily cash balance (deficit) and based on the County's pooled interest rate plus .5% as determined by the Solano County Treasurer's Office. Interest shall be apportioned on a monthly basis by the Auditor-Controller's Office.

B. Legal Services

1. With the approval of the CAP Solano, County Counsel shall initiate, in the name of CAP Solano, such legal actions or proceedings as are necessary and advisable to operate and protect the assets of CAP Solano. CAP Solano shall fully cooperate and make available all information in connection with the prosecution of such suits. CAP Solano shall bear the full cost of such legal actions, at the current Board of Supervisors-approved rate.
2. CAP Solano shall bear the costs of defending CAP Solano in any and all legal proceedings, including administrative proceedings and arbitration, brought against CAP Solano as a result of action or lack of action by the County personnel contracted to provide services to the CAP Solano.
3. CAP Solano shall bear the costs of defending itself in any and all legal proceedings, including administrative proceedings and arbitration, brought against CAP Solano as a result of action or lack of action by the CAP Solano in fulfilling its obligations.
4. County and CAP Solano shall bear the cost equally of defending CAP Solano in any and all legal proceedings, including administrative proceedings and arbitration, brought against CAP Solano as a result of joint action or lack of action under this Agreement. With respect to any legal action between County and CAP Solano arising out of this Agreement, each party shall pay its own legal expenses. CAP Solano reserves the right to hire its own counsel.

C. Property and Equipment

County shall purchase, with its own funds, any property and equipment required by County to carry out its contractual obligations under this Agreement. County shall hold title to such property.

II. CAP SOLANO OBLIGATIONS TO THE COUNTY

A. Provision of Services

CAP Solano shall take measures that are satisfactory to the County to ensure the provision of services under this Memorandum of Understanding are in compliance with local, State, and federal regulations.

1. The CAP Solano will administer all HUD funds received from the County in accordance with all HUD rules, regulations and requirements, including necessary reporting.
2. The CAP Solano will administer all Community Services Block Grant (CSBG) funds in accordance with all State and Federal rules pertaining to the Community Action Agency, including necessary reporting.
3. Administer all grants to serve low income clients in accordance to all State and Federal rules and funding source rules pertaining to such grants.
4. CAP Solano will continue to serve as the local Community Action Agency subject to the provisions of the Joint Exercise of Powers Agreement as approved by the State of California.

B. Equipment

The CAP Solano shall purchase, with its own funds, any property and equipment required carry out its obligations under this Agreement. Any equipment purchased with HUD money shall remain the property of the County.

C. Contracting responsibilities

CAP Solano will select contractors to implement services that are consistent with the federal HUD and CSBG funding and other low income services grant funding.

D. Audit responsibilities

1. CAP Solano will maintain records for all contracts and other activities as required by funding sources and the Solano County Auditor Controller.
2. CAP Solano will provide an annual audit report as required by the funding sources.

E. Insurance

1. Procure and maintain for the duration of the MOU, insurance against claims for injuries to persons or damages to property which may arise or in connection with the performance of the work under this MOU and the results of that work by CAP Solano, CAP Solano's agents, representatives, employees or subcontractors.

2. General Liability (including operations, products and completed operations):
\$1,000,000 pre occurrence for bodily injury, personal injury and property damage.
If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
3. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
4. Workers' Compensation: As required by the State of California.