

## SUBRECIPIENT AGREEMENT

This Subrecipient Agreement (“Agreement”), effective as of \_\_\_\_\_, 2026 (“Effective Date”) is entered into by and between the CITY OF COACHELLA, a municipal corporation of the State of California with its principal place of business located at 53990 Enterprise Way, Coachella, CA 92236 (“City”), and CIVICWELL, a California nonprofit public benefit corporation with its principal place of business located at 520 Capitol Mall, Suite 440, Sacramento, CA 95814 (“Subrecipient”). City and Subrecipient shall be referred to herein individually as “Party” and collectively as “Parties.”

### RECITALS

A. The City has entered into a Restricted Grant Agreement (RGA) with the California Department of Transportation (Caltrans), Agreement Number 74A1763, dated November 17, 2025 (“Prime Agreement”), for the Cesar Chavez Street Corridor Transformation Plan project (the “Project”), funded pursuant to Budget Act Line Item 2660-102-3290 under California Senate Bill No. 1 (SB-1), also known as the Road Repair and Accountability Act of 2017.

B. The Prime Agreement provides restricted grant funds in the amount of \$393,740.00 to the City for the purpose of conducting transportation studies and planning within the Project area, as detailed in the Scope of Work and Project Cost and Schedule (Attachment II to the Prime Agreement), the Grant Application Guide (Attachment III to the Prime Agreement), and other attachments incorporated therein.

C. The City is responsible under the Prime Agreement for timely and satisfactorily completing all Project work within the budget and in accordance with the terms of the Prime Agreement.

D. The Subrecipient has been identified in the Scope of Work (Attachment II to the Prime Agreement) as a sub-applicant and partner to assist the City with Project management, coordination, community engagement, outreach, and other specified tasks essential to the Project.

E. The City desires to pass through a portion of the grant funds and delegate certain Project responsibilities to the Subrecipient, subject to the Subrecipient’s compliance with all applicable terms of the Prime Agreement, California law, and this Agreement.

F. This Agreement is intended to ensure that the Subrecipient performs its delegated responsibilities in full compliance with the Prime Agreement and all federal, state, and local laws, regulations, and requirements applicable to the use of SB-1 funds, including but not limited to Government Code Section 14460(a)(1) and 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards).

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein, the parties agree as follows:

## 1. INCORPORATION OF PRIME AGREEMENT

1.1 The Prime Agreement, including all attachments (e.g., Attachment I: Agency Resolution; Attachment II: Scope of Work and Project Cost and Schedule; Attachment III: Grant Application Guide), is incorporated herein and attached hereto as **Exhibit “1.”** The Subrecipient acknowledges receipt of a copy of the Prime Agreement and agrees to comply with all applicable terms, covenants, conditions, and obligations therein as if the Subrecipient were the “AGENCY” under the Prime Agreement, to the extent such terms are applicable to the Subrecipient’s scope of services.

1.2 In the event of any conflict between this Agreement and the Prime Agreement, the Prime Agreement shall control, except where this Agreement imposes more stringent requirements to ensure compliance with California law.

## 2. SCOPE OF SERVICES

2.1 The Subrecipient shall perform the services described in the Scope of Work (Attachment II to the Prime Agreement) assigned to CivicWell (“Services” or “Project Work”), including but not limited to:

- (a) Assisting with overall Project management and coordination.
- (b) Preparing the Request for Proposals (RFP) for consultant selection.
- (c) Assembling and facilitating a Project Advisory Group.
- (d) Organizing community engagement events, including workshops, pop-up events, walk audits, and bicycle audits.
- (e) Developing publicity materials with local input and documenting public input for inclusion in the Cesar Chavez Street Corridor Transformation Plan document.
- (f) Facilitating community engagement activities in English and Spanish.
- (g) Providing content for the Project website and assisting with online surveys.
- (h) Participating in the development of the Cesar Chavez Street Corridor Transformation Plan, including summarizing the public process.
- (i) Supporting presentations to the Planning Commission and City Council.

2.2 All Services shall be performed in accordance with the Project timeline in Attachment II to the Prime Agreement, the Grant Application Guide (Attachment III to the Prime Agreement), and all applicable federal, state, and local laws, regulations, ordinances, Caltrans policies and procedures, and published manuals.

2.3 The Subrecipient shall not subcontract any portion of its Services without the prior written approval of the City. Any approved subcontracts shall incorporate all applicable terms of this Agreement and the Prime Agreement.

### **3. COMPENSATION AND PAYMENT**

3.1 The maximum amount payable to the Subrecipient under this Agreement shall not exceed **Eighty-Three Thousand Six Hundred Dollars (\$83,600)** (“Grant Amount”). This amount is a portion of the Prime Agreement grant funds and is subject to the City’s receipt of funds from Caltrans.

3.2 Funds may only be used for the purpose set forth in this Agreement, the Prime Agreement, and the attachments to the Prime Agreement, and funds may only be used for costs and expenses that are directly related to such purpose.

3.3 Compensation shall be based on actual allowable costs incurred by the Subrecipient in performing the Services, in accordance with Section III, Paragraph 15 of the Prime Agreement (Payment and Invoicing). No in-kind contributions are allowed unless identified in advance and approved by both Parties in writing.

3.4 The Subrecipient shall submit invoices to the City at least quarterly but no more frequently than monthly, in arrears, for completed milestones. Invoices shall include:

- (a) Names of Subrecipient personnel performing work.
- (b) Dates, times, and locations of work.
- (c) Itemized costs, including labor rates, hours, travel expenses (limited to State of California Department of Human Resources rates), and receipts.
- (d) Certification of compliance with this Agreement and the Prime Agreement.

3.5 Indirect costs are reimbursable only if the Subrecipient has an approved Indirect Cost Allocation Plan or Indirect Cost Rate Proposal per 2 CFR Part 200 and Chapter 5 of the Local Assistance Procedures Manual.

3.6 The City shall reimburse the Subrecipient for allowable costs within thirty (30) days of approval, subject to the City’s receipt of corresponding reimbursement from Caltrans. The Subrecipient must have paid for costs before claiming reimbursement.

3.7 All costs must be incurred after the City’s issuance of a Notice to Proceed and before the end of the Term.

### **4. TERM AND PERIOD OF PERFORMANCE**

4.1 This Agreement shall become effective on the Effective Date or upon the City’s receipt of a Notice to Proceed from Caltrans under the Prime Agreement, whichever occurs later. The term of this Agreement (“Term”) shall continue in full force and effect until June 30, 2028,

unless earlier terminated in accordance with the provisions of Section 7 (Termination) herein or upon the expiration or termination of the Prime Agreement, whichever occurs first. Notwithstanding the foregoing, the Subrecipient's obligations regarding record retention, audits, indemnification, re-payment of unallowable costs, and any other provisions that by their nature survive termination shall remain in effect beyond the expiration or termination of this Agreement, as specified in the applicable sections hereof and in the Prime Agreement. The Subrecipient shall commence performance of the Services promptly upon the Effective Date and shall complete all Services in a timely manner consistent with the Project timeline set forth in Attachment II to the Prime Agreement. Time is of the essence in the performance of this Agreement.

4.2 The Subrecipient shall attend a kickoff meeting with the City within one week of the Notice to Proceed.

## **5. PASS-THROUGH OBLIGATIONS AND COMPLIANCE**

5.1 Compliance with Laws, Regulations, and Policies. The Subrecipient shall perform all Services under this Agreement in accordance with California Senate Bill No. 1 (SB-1) (Chapter 5, Statutes of 2017), also known as the Road Repair and Accountability Act of 2017, including, but not limited to, Government Code Section 14460(a)(1), as well as all applicable Federal, State, and Local laws, regulations, and ordinances, all applicable Caltrans policies and procedures, and all applicable Caltrans published manuals, including, but not limited to, the applicable Grant Application Guide (Attachment III to the Prime Agreement). In case of conflict between any applicable Federal, State, and Local laws, regulations, and ordinances, and/or any applicable policies, procedures, or published manuals of either Caltrans or the City, the order of precedence of the applicability of same to this Agreement shall be established in this order: 1) Federal laws and regulations; 2) California laws and regulations; 3) Caltrans policies, procedures, and published manuals; 4) Local ordinances; and 5) City policies, procedures, and published manuals.

5.2 Payment and Invoicing. The Subrecipient shall establish and maintain an accounting system and records that properly accumulate and segregate incurred Project costs by line. The accounting system of the Subrecipient shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. Reimbursement of the Subrecipient's expenditures will be authorized only for those allowable costs actually incurred by the Subrecipient in accordance with the provisions of this Agreement and the Prime Agreement and in the performance of the Services. The Subrecipient must not only have incurred the expenditures on or after the start date and the issuance of the Notice to Proceed letter for this Agreement and before the Expiration Date but must have also paid for those costs to claim any reimbursement. Travel expenses and per diem rates are not to exceed the rate specified by the State of California Department of Human Resources for similar employees (i.e., non-represented employees) unless written verification is supplied that government hotel rates were not then commercially available to the Subrecipient at the time and location required as specified in the California Department of Transportation's Travel Guide Exception Process. The Subrecipient shall submit invoices to the City at least quarterly, but no more frequently than monthly, in arrears for completion of milestones in accordance with the Project Cost and Schedule in Attachment II to the Prime Agreement to the satisfaction of the City. Invoices shall reference this Agreement Number and shall be signed and submitted to the City. One-time lump sum invoices for the Grant Amount

are not allowed. Invoices shall include the following information: 1) Names of the Subrecipient personnel performing work; 2) Dates and times of Project Work; 3) Locations of Project Work; 4) Itemized costs as set forth in Attachment II to the Prime Agreement, including identification of each employee who provided services during the period of the invoice, the number of hours and hourly rates for each employee, authorized travel expenses with receipts, receipts for authorized materials or supplies, and contractor, sub-recipient, and subcontractor invoices. Incomplete or inaccurate invoices shall be returned to the Subrecipient unapproved for correction. Failure to submit invoices on a timely basis may be grounds for termination of this Agreement for material breach per Section 7. The Agreement Expiration Date refers to the last date for the Subrecipient to incur valid Project costs or credits and is the date the Agreement expires. The Subrecipient has 60 days after that Expiration Date to make final allowable payments to Project contractors or vendors and submit the Project's Final Product(s) as defined in Attachment II to the Prime Agreement and a final accurate invoice to the City for reimbursement for allowable Project costs. Any unexpended Project funds not invoiced by the 60th day will be reverted and will no longer be accessible to reimburse late Project invoices.

5.3 Cost Principles. The Subrecipient agrees to comply with Title 2, Code of Federal Regulations (CFR), Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Subrecipient agrees that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual Project costs and (b) the Parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Subrecipient shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards to the extent applicable. Prior to the Subrecipient seeking reimbursement of indirect costs, the Subrecipient must have identified the estimated indirect cost rate in Attachment II to the Prime Agreement, prepare and submit annually to the City for review and approval an indirect cost rate proposal and a central service cost allocation plan (if any) in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Chapter 5 of the Local Assistance Procedures Manual. The Subrecipient agrees and shall require that all its agreements with consultants and sub-recipients contain provisions requiring adherence to this section in its entirety.

5.4 Repayment of Unallowable Costs. Any Project costs for which the Subrecipient has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, and/or Part 48, Chapter 1, Part 31, are subject to repayment by the Subrecipient to the City. Should the Subrecipient fail to reimburse moneys due the City within thirty (30) days of discovery or demand, or within such other period as may be agreed in writing between the parties hereto, the City is authorized to intercept and withhold future payments due the Subrecipient from the City or any third-party source, including, but not limited to, the State Treasurer, the State Controller or any other fund source.

5.5 Americans with Disabilities Act. By signing this Agreement, the Subrecipient assures the City that in the course of performing Project Work, it will fully comply with the applicable provisions of the Americans with Disabilities Act (ADA) of 1990, as amended, which

prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 USC Section 12101 et seq.).

5.6 Indemnification. Neither the City, Caltrans, nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by the Subrecipient, its officers, employees, agents, contractors, subrecipients, or subcontractors, under or in connection with any work, authority, or jurisdiction conferred upon the Subrecipient under this Agreement. It is understood and agreed that the Subrecipient shall fully defend, indemnify, and save harmless the City, Caltrans, and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by the Subrecipient, its officers, employees, agents, contractors, subrecipients, or subcontractors under this Agreement.

5.7 Nondiscrimination Clause. During the performance of this Agreement, the Subrecipient shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. The Subrecipient shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. The Subrecipient shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code Sections 12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., Tit. 2, Sections 11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code Sections 11135-11139.5), and the regulations or standards adopted by the City or Caltrans to implement such article. The Subrecipient shall permit access by representatives of the Department of Fair Employment and Housing, the City, and Caltrans upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department, the City, or Caltrans shall require to ascertain compliance with this clause. The Subrecipient shall give written notice of its obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Subrecipient shall include the nondiscrimination and compliance provisions of this clause in all agreements with its contractors and subcontractors (preapproved by City), and shall include a requirement in all agreements with all of same that each of them in turn include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts they enter into to perform work under this Agreement.

5.8 Retention of Records/Audits. The Subrecipient agrees to comply with Title 2, Code of Federal Regulations (CFR), Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. All accounting records and other supporting papers of the Subrecipient, its contractors, subcontractors, and sub-recipients connected with Project performance under this Agreement shall be maintained for a minimum of three (3) years from the date of final payment to the Subrecipient and shall be held open to inspection, copying, and audit

by representatives of the City, Caltrans, the California State Auditor, and auditors representing the Federal government. Copies thereof will be furnished by the Subrecipient, its contractors, its subcontractors, and sub-recipients upon receipt of any request made by the City, Caltrans, or its agents. In conducting an audit of the costs and match credits claimed under this Agreement, the City and Caltrans will rely to the maximum extent possible on any prior audit of the Subrecipient pursuant to the provisions of State and City law. In the absence of such an audit, any acceptable audit work performed by the Subrecipient's external and internal auditors may be relied upon and used by the City and Caltrans when planning and conducting additional audits. For the purpose of determining compliance with applicable State and City law in connection with the performance of the Subrecipient's contracts with third parties pursuant to Government Code Section 8546.7, the Subrecipient, the Subrecipient's sub-recipients, contractors, subcontractors, the City, and Caltrans, shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire Project period and for three (3) years from the date of final payment to the Subrecipient under this Agreement. The City, Caltrans, the California State Auditor, or any duly authorized representative of the City, Caltrans, or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent to a Project for audits, examinations, excerpts, and transactions, and the Subrecipient shall furnish copies thereof if requested. The Subrecipient, its sub-recipients, contractors, and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the City or Caltrans, for the purpose of any investigation to ascertain compliance with this Agreement. Additionally, all grants may be subject to a pre-award audit prior to execution of this Agreement to ensure the Subrecipient has an adequate financial management system in place to accumulate and segregate reasonable, allowable, and allocable costs. Any contract with a contractor, subcontractor, or sub-recipient entered into as a result of this Agreement shall contain all the provisions of this article.

5.9 Drug-Free Workplace Certification. By signing this Agreement, the Subrecipient hereby certifies under penalty of perjury under the laws of California that the Subrecipient will comply with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code Sections 8350 et seq.) and will provide a Drug-Free workplace by doing all the following: a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a)(1); b) Establish a Drug-Free Awareness Program as required by Government Code Section 8355(a)(2) to inform employees about all the following: 1) The dangers of drug abuse in the workplace; 2) The person's or organization's policy of maintaining a Drug-Free workplace; 3) Any available counseling, rehabilitation, and employee assistance programs; and 4) Penalties that may be imposed upon employees for drug abuse violations; c) Provide, as required by Government Code Section 8355(a)(3), that every employee who works on the proposed contract or grant: 1) Will receive a copy of the company's Drug-Free Policy Statement; and 2) Will agree to abide by the terms of the company's statement as a condition of employment on the contract or grant; d) Failure to comply with these requirements may result in suspension of payments under this Agreement or termination of this Agreement or both, and the Subrecipient may be ineligible for the award of any future State

contracts if the City or Caltrans determines that any of the following has occurred: (1) the Subrecipient has made a false certification or, (2) the Subrecipient violates the certification by failing to carry out the requirements as noted above.

5.10 State-Owned Data. The Subrecipient agrees to comply with the following requirements to ensure the preservation, security, and integrity of State-owned data on portable computing devices and portable electronic storage media: 1) Encrypt all State-owned data stored on portable computing devices and portable electronic storage media using government-certified Advanced Encryption Standard (AES) cipher algorithm with a 256-bit or 128-bit encryption key to protect Caltrans data stored on every sector of a hard drive, including temp files, cached data, hibernation files, and even unused disk space; 2) Data encryption shall use cryptographic technology that has been tested and approved against exacting standards, such as FIPS 140-2 Security Requirements for Cryptographic Modules; 3) Encrypt, as described above, all State-owned data transmitted from one computing device or storage medium to another; 4) Maintain confidentiality of all State-owned data by limiting data sharing to those individuals contracted to provide services on behalf of the State, and limit use of State information assets for State purposes only; 5) Install and maintain current anti-virus software, security patches, and upgrades on all computing devices used during the course of the Agreement; 6) Notify the City immediately of any actual or attempted violations of security of State-owned data, including lost or stolen computing devices, files, or portable electronic storage media containing State-owned data; 7) Advise the owner of the State-owned data, the City Manager, and the City Chief Information Officer of vulnerabilities that may present a threat to the security of State-owned data and of specific means of protecting that State-owned data. The Subrecipient agrees to use the State-owned data only for State purposes under this Agreement. The Subrecipient agrees to not transfer State-owned data to any computing system, mobile device, or desktop computer without first establishing the specifications for information integrity and security as established for the original data file(s) (State Administrative Manual (SAM) Section 5335.1).

5.11 Assumption of Risk and Indemnification Regarding Exposure to Environmental Health Hazards. In addition to, and not a limitation of, the Subrecipient's indemnification obligations contained elsewhere in this Agreement, the Subrecipient hereby assumes all risks of the consequences of exposure of the Subrecipient's employees, agents, subrecipients, contractors, and subcontractors, subcontractors' employees, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, to any and all environmental health hazards, local and otherwise, in connection with the performance of this Agreement. Such hazards include, but are not limited to, bodily injury and/or death resulting in whole or in part from exposure to infectious agents and/or pathogens of any type, kind or origin. The Subrecipient also agrees to take all appropriate safety precautions to prevent any such exposure to the Subrecipient's employees, agents, subrecipients, contractors, and subcontractors, subcontractors' employees, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement. The Subrecipient also agrees to indemnify and hold harmless the City, Caltrans, the State of California, and each and all their officers, agents and employees, from any and all claims and/or losses accruing or resulting from such exposure. Except as provided by law, the Subrecipient also agrees that the provisions of this paragraph shall apply regardless of the existence or degree of negligence or fault on the part of the City, Caltrans, the State of California, and/or any of their officers, agents and/or employees.

5.12 Mandatory Organic Waste Recycling. It is understood and agreed that pursuant to Public Resources Code Sections 42649.8 et seq., if the Subrecipient generates two (2) cubic yards or more of organic waste or commercial solid waste per week, the Subrecipient shall arrange for organic waste or commercial waste recycling services that separate/source organic waste for organic waste recycling. The Subrecipient shall provide proof of compliance, i.e., organic waste recycling services or commercial waste recycling services that separate/source organic waste recycling, upon request from the City.

5.13 ADA Compliance. All entities that provide electronic or information technology or related services that will be posted online by the City or Caltrans must be in compliance with Government Code Sections 7405 and 11135 and the Web Content Accessibility Guidelines (WCAG) 2.0 or subsequent version, published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success. All entities will respond to and resolve any complaints/deficiencies regarding accessibility brought to their attention.

5.14 Executive Order N-6-22 – Russia Sanctions. On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law unless the contract has been Federalized (i.e., there is federal participation in any phase). The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the City or the State determine the Subrecipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The City shall provide the Subrecipient advance written notice of such termination, allowing the Subrecipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the City.

5.15 The Subrecipient shall ensure that its contractors and subcontractors comply with all pass-through obligations set forth in this Section 5.

5.16 The Subrecipient shall provide quarterly progress reports to the City, detailing progress, expenditures, and any issues, to enable the City’s reporting to Caltrans under Section III, Paragraph 17 of the Prime Agreement.

## **6. INSURANCE**

6.1 Time for Compliance. Subrecipient shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Subrecipient shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Agreement for cause.

6.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, the Subrecipient, in partial performance of its obligations under such Agreement,

shall procure and maintain in full force and effect during the term of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Subrecipient agrees to amend, supplement or endorse the policies to do so.

(a) **Commercial General Liability:** Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office “occurrence” form CG 00 01, or the exact equivalent, with limits of not less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(b) **Automobile Liability Insurance:** Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering “Any Auto” (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than \$1,000,000 combined limit for each occurrence.

(c) **Workers’ Compensation:** Workers’ Compensation Insurance, as required by the State of California and Employer’s Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

6.3 **Professional Liability (Errors & Omissions):** Professional Liability insurance or Errors & Omissions insurance appropriate to Subrecipient’s profession with limits of not less than \$1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least five (5) years from termination or expiration of this Agreement.

6.4 **Insurance Endorsements.** Required insurance policies shall contain the following provisions, or Subrecipient shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

(a) **Commercial General Liability:** (1) **Additional Insured:** The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to “ongoing operations”; (2) exclude “contractual liability”; (3) restrict coverage to “sole” liability of Subrecipient; or (4) contain any other exclusions contrary to the terms or purposes of this Agreement. For all policies of Commercial General Liability insurance, Subrecipient shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement. (2) **Cancellation:** Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(b) **Automobile Liability.** (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(c) **Professional Liability (Errors & Omissions):** 1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Contractual Liability Exclusion Deleted: This insurance shall include contractual liability applicable to this Agreement. The policy must “pay on behalf of” the insured and include a provision establishing the insurer’s duty to defend.

(d) **Workers’ Compensation:** (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees, agents, and volunteers.

6.5 **Primary and Non-Contributing Insurance.** All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

6.6 **Waiver of Subrogation.** All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Subrecipient or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Subrecipient hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

6.7 **Deductibles and Self-Insured Retentions.** Any deductible or self-insured retention must be approved in writing by the City and shall protect the City, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

6.8 **Evidence of Insurance.** The Subrecipient, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the City, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Subrecipient shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage,

file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

6.9 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

6.10 Enforcement of Agreement Provisions (non estoppel). Subrecipient acknowledges and agrees that actual or alleged failure on the part of the City to inform Subrecipient of non-compliance with any requirement imposes no additional obligation on the City nor does it waive any rights hereunder.

6.11 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

6.12 Additional Insurance Provisions

(a) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Subrecipient, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Subrecipient pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(b) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Subrecipient or City will withhold amounts sufficient to pay premium from Subrecipient payments. In the alternative, City may cancel this Agreement.

(c) The City may require the Subrecipient to provide complete copies of all insurance policies in effect for the duration of the Project.

(d) Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

(e) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Subrecipient from liability in excess of such coverage, nor shall it limit the Subrecipient's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

(f) Subrecipient shall report to the City, in addition to Subrecipient's insurer, any and all insurance claims submitted by Subrecipient in connection with the Services under this Agreement.

6.13 Insurance for Subconsultants. Subrecipient shall include all subconsultants engaged in any work for Subrecipient relating to this Agreement as additional insureds under the Subrecipient's policies, or the Subrecipient shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Subrecipient's subconsultants performing work relating to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Subrecipient shall not allow any subconsultant to commence work on any subcontract relating to this Agreement until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this Agreement, to the extent applicable. The Subrecipient shall provide satisfactory evidence of compliance with this section upon request of the City.

## **7. TERMINATION**

7.1 City reserves the right to terminate this Agreement for any or no reason upon written notice to Subrecipient at least 30 days in advance of the effective date of such termination in the event City determines (at its sole discretion) that Subrecipient failed to proceed or continue with Project Work in accordance with the terms of this Agreement. In the event of termination for convenience, City will reimburse Subrecipient for all allowable, authorized, and non-cancelled costs up to the date of termination.

7.2 This Agreement may be terminated by either party for any or no reason by giving written notice to the other Party at least thirty (30) days in advance of the effective date of such termination. In the event of termination for convenience, City will reimburse Subrecipient for all allowable, authorized, and non-cancelled costs up to the date of termination.

7.3 Subrecipient has sixty (60) days after the Termination Date to submit accurate invoices to City to make final allowable payments for Project costs in accordance with the terms of this Agreement. Failure to submit accurate invoices within this period of time shall result in a waiver by Subrecipient of its right to reimbursement of expended costs.

## **8. BUDGET CONTINGENCY CLAUSE**

8.1 It is mutually agreed that if Caltrans is unable to appropriate or allocate funds during the current year and/or any subsequent years covered under this Agreement and are not able to provide sufficient funds for the Project, this Agreement shall be of no further force and effect. In this event, City shall have no liability to pay any funds whatsoever to Subrecipient or to furnish any other consideration under this Agreement and Subrecipient shall not be obligated to perform any provisions of this Agreement.

8.2 If funding to Caltrans for any fiscal year is reduced or deleted for purposes of this Project, City shall have the option to either terminate this Agreement with no liability occurring to City or offer an Agreement Amendment to Subrecipient to reflect reduced amount.

## **9. CHANGES/AMENDMENTS**

This Agreement may only be amended or modified during the Term of the by mutual written agreement of the Parties. Any proposed modification to this Agreement that requires a formal amendment must be submitted by Subrecipient to City no less than 120 days prior to the expiration of the Term.

## **10. DISPUTE RESOLUTION**

Disputes shall be resolved per Section III, Paragraph 24 of the Prime Agreement, including good faith negotiations and alternative dispute resolution before litigation.

## **11. INDEPENDENT CONTRACTOR**

The Subrecipient is an independent contractor, not an employee or agent of the City.

## **12. NOTICES**

The City's Project Manager for the Project is Kendra Reif. The City's Financial Manager for the Project is Ruben Ramirez. The Subrecipient's Contract Manager is Bernadette Austin, or her designee following notice to the City.

All notices herein provided to be given, or which may be given, by either Party to the other, shall be deemed to have been fully given when made in writing and received by the Parties at their respective addresses:

### **City of Coachella**

Attention: Kendra Reif, Project Manager  
53990 Enterprise Way  
Coachella, CA 92236  
Phone: (760) 398-3502  
Email: kreif@coachella.org

### **CivicWell**

Attention: Bernadette Austin, CEO  
520 Capitol Mall, Suite 440  
Sacramento, CA 95814  
Email: baustin@civicwell.org

## **13. COOPERATION; FURTHER ACTS**

The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

**14. ENTIRE AGREEMENT**

This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

**15. ATTORNEYS' FEES**

If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

**16. GOVERNING LAW**

This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Subrecipient must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Subrecipient. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Subrecipient shall be barred from bringing and maintaining a valid lawsuit against the City.

**17. TIME OF ESSENCE**

Time is of the essence for each and every provision of this Agreement.

**18. CITY'S RIGHT TO EMPLOY OTHER SUBRECIPIENTS.**

City reserves right to employ other subrecipients in connection with this Project.

**19. SUCCESSORS AND ASSIGNS**

This Agreement shall be binding on the successors and assigns of the parties.

**20. ASSIGNMENT OR TRANSFER**

Subrecipient shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subrecipient shall not subcontract any portion of the Services required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

**21. CONSTRUCTION; REFERENCES; CAPTIONS**

Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Subrecipient include all personnel, employees, agents, and subconsultants of Subrecipient, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

**22. WAIVER**

No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

**23. NO THIRD-PARTY BENEFICIARIES**

There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

**24. INVALIDITY; SEVERABILITY**

If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

**25. PROHIBITED INTERESTS**

Subrecipient maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Subrecipient, to solicit or secure this Agreement. Subrecipient warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Subrecipient, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Subrecipient further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

**26. AUTHORITY TO ENTER AGREEMENT**

Subrecipient has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

**27. COUNTERPARTS**

This Agreement may be signed in counterparts, each of which shall constitute an original.

**28. SURVIVAL**

All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first above written.

**CITY OF COACHELLA**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CIVICWELL**

By: \_\_\_\_\_

Printed Name: Bernadette Austin

Title: CEO

Date: \_\_\_\_\_

Agreement No. \_\_\_\_\_

**EXHIBIT "1"**  
**PRIME AGREEMENT**

## SUBRECIPIENT AGREEMENT

This Subrecipient Agreement (“Agreement”), effective as of \_\_\_\_\_, 2026 (“Effective Date”) is entered into by and between the CITY OF COACHELLA, a municipal corporation of the State of California with its principal place of business located at 53990 Enterprise Way, Coachella, CA 92236 (“City”), and **TERRA NOVA**, a California nonprofit public benefit corporation with its principal place of business located at **42635 Melanie Place, Suite 101, Palm Desert, CA 92211** (“Subrecipient”). City and Subrecipient shall be referred to herein individually as “Party” and collectively as “Parties.”

### RECITALS

A. The City has entered into a Restricted Grant Agreement (RGA) with the California Department of Transportation (Caltrans), Agreement Number 74A1763, dated November 17, 2025 (“Prime Agreement”), for the Cesar Chavez Street Corridor Transformation Plan project (the “Project”), funded pursuant to Budget Act Line Item 2660-102-3290 under California Senate Bill No. 1 (SB-1), also known as the Road Repair and Accountability Act of 2017.

B. The Prime Agreement provides restricted grant funds in the amount of \$393,740.00 to the City for the purpose of conducting transportation studies and planning within the Project area, as detailed in the Scope of Work and Project Cost and Schedule (Attachment II to the Prime Agreement), the Grant Application Guide (Attachment III to the Prime Agreement), and other attachments incorporated therein.

C. The City is responsible under the Prime Agreement for timely and satisfactorily completing all Project work within the budget and in accordance with the terms of the Prime Agreement.

D. The Subrecipient has been identified in the Scope of Work (Attachment II to the Prime Agreement) as a sub-applicant and partner to assist the City with Project management, coordination, community engagement, outreach, and other specified tasks essential to the Project.

E. The City desires to pass through a portion of the grant funds and delegate certain Project responsibilities to the Subrecipient, subject to the Subrecipient’s compliance with all applicable terms of the Prime Agreement, California law, and this Agreement.

F. This Agreement is intended to ensure that the Subrecipient performs its delegated responsibilities in full compliance with the Prime Agreement and all federal, state, and local laws, regulations, and requirements applicable to the use of SB-1 funds, including but not limited to Government Code Section 14460(a)(1) and 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards).

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein, the parties agree as follows:

## 1. INCORPORATION OF PRIME AGREEMENT

1.1 The Prime Agreement, including all attachments (e.g., Attachment I: Agency Resolution; Attachment II: Scope of Work and Project Cost and Schedule; Attachment III: Grant Application Guide), is incorporated herein and attached hereto as **Exhibit “1.”** The Subrecipient acknowledges receipt of a copy of the Prime Agreement and agrees to comply with all applicable terms, covenants, conditions, and obligations therein as if the Subrecipient were the “AGENCY” under the Prime Agreement, to the extent such terms are applicable to the Subrecipient’s scope of services.

1.2 In the event of any conflict between this Agreement and the Prime Agreement, the Prime Agreement shall control, except where this Agreement imposes more stringent requirements to ensure compliance with California law.

## 2. SCOPE OF SERVICES

2.1 The Subrecipient shall perform the services described in the Scope of Work (Attachment II to the Prime Agreement) assigned to TERRA NOVA (“Services” or “Project Work”), including but not limited to:

Terra Nova will be responsible for technical analysis, documentation mapping and evaluation for the project. Terra Nova will analyze and document baseline conditions for land use, multimodal access, connectivity and traffic safety and operations, coordinate with the Technical Advisory Committee, will actively participate in community engagement activities, will develop design concepts and recommendations that respond to input from residents, stakeholders and responsible agencies, and prepare the plan document. Core components of the plan will include:

- a) A comprehensive summary of the community engagement process and input received.
- b) An overall framework plan for on- and off-street connections along the corridor with proposed development, circulation, and access patterns consistent with the desired community character.
- c) A traffic analysis of the corridor to evaluate potential changes.
- d) An analysis of current engineering standards for the corridor, recommended changes and analysis of operational impacts, cost and feasibility of proposed changes to the street.
- e) An analysis of market conditions and the feasibility for different types of development along the corridor.
- f) An analysis of existing stormwater facilities along the corridor and any constraints that might limit future development. Recommendations for applicable green infrastructure treatments.
- g) Conceptual designs for public and private development opportunity sites and bringing streets in the area up to current complete street standards, including pedestrian, bicycle and transit facilities and enhanced streetscapes to support walking and

bicycling. Graphic street designs and/or simulations will provide a visualization tool for the public to understand roadway cross-sections and their interaction with adjacent land uses.

- h) Land use plan with recommended zoning and development standards to support walkable, mixed-use infill, and affordable housing development.
- i) An assessment of possible amendments to the general plan land use map, zoning and development standards that could be required to implement proposed changes.
- j) Proposed development standards that the city can adopt to put the plan into operation.
- k) An implementation strategy that identifies short- and long-term infrastructure improvements, funding and financing opportunities, and process for instituting policy and regulatory changes to implement the plan.

2.2 All Services shall be performed in accordance with the Project timeline in Attachment II to the Prime Agreement, the Grant Application Guide (Attachment III to the Prime Agreement), and all applicable federal, state, and local laws, regulations, ordinances, Caltrans policies and procedures, and published manuals.

2.3 The Subrecipient shall not subcontract any portion of its Services without the prior written approval of the City. Any approved subcontracts shall incorporate all applicable terms of this Agreement and the Prime Agreement.

### **3. COMPENSATION AND PAYMENT**

3.1 The maximum amount payable to the Subrecipient under this Agreement shall not exceed **Two Hundred Sixty Thousand One Hundred Forty Dollars (\$260,140.00)** (“Grant Amount”). This amount is a portion of the Prime Agreement grant funds and is subject to the City’s receipt of funds from Caltrans.

3.2 Funds may only be used for the purpose set forth in this Agreement, the Prime Agreement, and the attachments to the Prime Agreement, and funds may only be used for costs and expenses that are directly related to such purpose.

3.3 Compensation shall be based on actual allowable costs incurred by the Subrecipient in performing the Services, in accordance with Section III, Paragraph 15 of the Prime Agreement (Payment and Invoicing). No in-kind contributions are allowed unless identified in advance and approved by both Parties in writing.

3.4 The Subrecipient shall submit invoices to the City at least quarterly but no more frequently than monthly, in arrears, for completed milestones. Invoices shall include:

- (a) Names of Subrecipient personnel performing work.
- (b) Dates, times, and locations of work.

(c) Itemized costs, including labor rates, hours, travel expenses (limited to State of California Department of Human Resources rates), and receipts.

(d) Certification of compliance with this Agreement and the Prime Agreement.

3.5 Indirect costs are reimbursable only if the Subrecipient has an approved Indirect Cost Allocation Plan or Indirect Cost Rate Proposal per 2 CFR Part 200 and Chapter 5 of the Local Assistance Procedures Manual.

3.6 The City shall reimburse the Subrecipient for allowable costs within thirty (30) days of approval, subject to the City's receipt of corresponding reimbursement from Caltrans. The Subrecipient must have paid for costs before claiming reimbursement.

3.7 All costs must be incurred after the City's issuance of a Notice to Proceed and before the end of the Term.

#### **4. TERM AND PERIOD OF PERFORMANCE**

4.1 This Agreement shall become effective on the Effective Date or upon the City's receipt of a Notice to Proceed from Caltrans under the Prime Agreement, whichever occurs later. The term of this Agreement ("Term") shall continue in full force and effect until June 30, 2028, unless earlier terminated in accordance with the provisions of Section 7 (Termination) herein or upon the expiration or termination of the Prime Agreement, whichever occurs first. Notwithstanding the foregoing, the Subrecipient's obligations regarding record retention, audits, indemnification, re-payment of unallowable costs, and any other provisions that by their nature survive termination shall remain in effect beyond the expiration or termination of this Agreement, as specified in the applicable sections hereof and in the Prime Agreement. The Subrecipient shall commence performance of the Services promptly upon the Effective Date and shall complete all Services in a timely manner consistent with the Project timeline set forth in Attachment II to the Prime Agreement. Time is of the essence in the performance of this Agreement.

4.2 The Subrecipient shall attend a kickoff meeting with the City within one week of the Notice to Proceed.

#### **5. PASS-THROUGH OBLIGATIONS AND COMPLIANCE**

5.1 Compliance with Laws, Regulations, and Policies. The Subrecipient shall perform all Services under this Agreement in accordance with California Senate Bill No. 1 (SB-1) (Chapter 5, Statutes of 2017), also known as the Road Repair and Accountability Act of 2017, including, but not limited to, Government Code Section 14460(a)(1), as well as all applicable Federal, State, and Local laws, regulations, and ordinances, all applicable Caltrans policies and procedures, and all applicable Caltrans published manuals, including, but not limited to, the applicable Grant Application Guide (Attachment III to the Prime Agreement). In case of conflict between any applicable Federal, State, and Local laws, regulations, and ordinances, and/or any applicable policies, procedures, or published manuals of either Caltrans or the City, the order of precedence of the applicability of same to this Agreement shall be established in this order: 1) Federal laws and regulations; 2) California laws and regulations; 3) Caltrans policies, procedures, and published manuals; 4) Local ordinances; and 5) City policies, procedures, and published manuals.

5.2 Payment and Invoicing. The Subrecipient shall establish and maintain an accounting system and records that properly accumulate and segregate incurred Project costs by line. The accounting system of the Subrecipient shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. Reimbursement of the Subrecipient's expenditures will be authorized only for those allowable costs actually incurred by the Subrecipient in accordance with the provisions of this Agreement and the Prime Agreement and in the performance of the Services. The Subrecipient must not only have incurred the expenditures on or after the start date and the issuance of the Notice to Proceed letter for this Agreement and before the Expiration Date but must have also paid for those costs to claim any reimbursement. Travel expenses and per diem rates are not to exceed the rate specified by the State of California Department of Human Resources for similar employees (i.e., non-represented employees) unless written verification is supplied that government hotel rates were not then commercially available to the Subrecipient at the time and location required as specified in the California Department of Transportation's Travel Guide Exception Process. The Subrecipient shall submit invoices to the City at least quarterly, but no more frequently than monthly, in arrears for completion of milestones in accordance with the Project Cost and Schedule in Attachment II to the Prime Agreement to the satisfaction of the City. Invoices shall reference this Agreement Number and shall be signed and submitted to the City. One-time lump sum invoices for the Grant Amount are not allowed. Invoices shall include the following information: 1) Names of the Subrecipient personnel performing work; 2) Dates and times of Project Work; 3) Locations of Project Work; 4) Itemized costs as set forth in Attachment II to the Prime Agreement, including identification of each employee who provided services during the period of the invoice, the number of hours and hourly rates for each employee, authorized travel expenses with receipts, receipts for authorized materials or supplies, and contractor, sub-recipient, and subcontractor invoices. Incomplete or inaccurate invoices shall be returned to the Subrecipient unapproved for correction. Failure to submit invoices on a timely basis may be grounds for termination of this Agreement for material breach per Section 7. The Agreement Expiration Date refers to the last date for the Subrecipient to incur valid Project costs or credits and is the date the Agreement expires. The Subrecipient has 60 days after that Expiration Date to make final allowable payments to Project contractors or vendors and submit the Project's Final Product(s) as defined in Attachment II to the Prime Agreement and a final accurate invoice to the City for reimbursement for allowable Project costs. Any unexpended Project funds not invoiced by the 60th day will be reverted and will no longer be accessible to reimburse late Project invoices.

5.3 Cost Principles. The Subrecipient agrees to comply with Title 2, Code of Federal Regulations (CFR), Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Subrecipient agrees that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual Project costs and (b) the Parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Subrecipient shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards to the extent applicable. Prior to the Subrecipient seeking reimbursement of indirect costs, the Subrecipient must have identified the estimated indirect cost rate in Attachment II to the Prime Agreement, prepare and submit annually to the City for review and approval an indirect cost rate

proposal and a central service cost allocation plan (if any) in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Chapter 5 of the Local Assistance Procedures Manual. The Subrecipient agrees and shall require that all its agreements with consultants and sub-recipients contain provisions requiring adherence to this section in its entirety.

5.4 Repayment of Unallowable Costs. Any Project costs for which the Subrecipient has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, and/or Part 48, Chapter 1, Part 31, are subject to repayment by the Subrecipient to the City. Should the Subrecipient fail to reimburse moneys due the City within thirty (30) days of discovery or demand, or within such other period as may be agreed in writing between the parties hereto, the City is authorized to intercept and withhold future payments due the Subrecipient from the City or any third-party source, including, but not limited to, the State Treasurer, the State Controller or any other fund source.

5.5 Americans with Disabilities Act. By signing this Agreement, the Subrecipient assures the City that in the course of performing Project Work, it will fully comply with the applicable provisions of the Americans with Disabilities Act (ADA) of 1990, as amended, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 USC Section 12101 et seq.).

5.6 Indemnification. Neither the City, Caltrans, nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by the Subrecipient, its officers, employees, agents, contractors, subrecipients, or subcontractors, under or in connection with any work, authority, or jurisdiction conferred upon the Subrecipient under this Agreement. It is understood and agreed that the Subrecipient shall fully defend, indemnify, and save harmless the City, Caltrans, and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by the Subrecipient, its officers, employees, agents, contractors, subrecipients, or subcontractors under this Agreement.

5.7 Nondiscrimination Clause. During the performance of this Agreement, the Subrecipient shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. The Subrecipient shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. The Subrecipient shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code Sections 12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., Tit. 2, Sections 11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code Sections 11135-11139.5), and the regulations or standards adopted by the City or Caltrans to

implement such article. The Subrecipient shall permit access by representatives of the Department of Fair Employment and Housing, the City, and Caltrans upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department, the City, or Caltrans shall require to ascertain compliance with this clause. The Subrecipient shall give written notice of its obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Subrecipient shall include the nondiscrimination and compliance provisions of this clause in all agreements with its contractors and subcontractors (preapproved by City), and shall include a requirement in all agreements with all of same that each of them in turn include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts they enter into to perform work under this Agreement.

5.8 Retention of Records/Audits. The Subrecipient agrees to comply with Title 2, Code of Federal Regulations (CFR), Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. All accounting records and other supporting papers of the Subrecipient, its contractors, subcontractors, and sub-recipients connected with Project performance under this Agreement shall be maintained for a minimum of three (3) years from the date of final payment to the Subrecipient and shall be held open to inspection, copying, and audit by representatives of the City, Caltrans, the California State Auditor, and auditors representing the Federal government. Copies thereof will be furnished by the Subrecipient, its contractors, its subcontractors, and sub-recipients upon receipt of any request made by the City, Caltrans, or its agents. In conducting an audit of the costs and match credits claimed under this Agreement, the City and Caltrans will rely to the maximum extent possible on any prior audit of the Subrecipient pursuant to the provisions of State and City law. In the absence of such an audit, any acceptable audit work performed by the Subrecipient's external and internal auditors may be relied upon and used by the City and Caltrans when planning and conducting additional audits. For the purpose of determining compliance with applicable State and City law in connection with the performance of the Subrecipient's contracts with third parties pursuant to Government Code Section 8546.7, the Subrecipient, the Subrecipient's sub-recipients, contractors, subcontractors, the City, and Caltrans, shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire Project period and for three (3) years from the date of final payment to the Subrecipient under this Agreement. The City, Caltrans, the California State Auditor, or any duly authorized representative of the City, Caltrans, or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent to a Project for audits, examinations, excerpts, and transactions, and the Subrecipient shall furnish copies thereof if requested. The Subrecipient, its sub-recipients, contractors, and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the City or Caltrans, for the purpose of any investigation to ascertain compliance with this Agreement. Additionally, all grants may be subject to a pre-award audit prior to execution of this Agreement to ensure the Subrecipient has an adequate financial management system in place to accumulate and segregate reasonable, allowable, and allocable costs. Any contract with a contractor, subcontractor, or sub-recipient entered into as a result of this Agreement shall contain all the provisions of this article.

5.9 Drug-Free Workplace Certification. By signing this Agreement, the Subrecipient hereby certifies under penalty of perjury under the laws of California that the Subrecipient will comply with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code Sections 8350 et seq.) and will provide a Drug-Free workplace by doing all the following: a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a)(1); b) Establish a Drug-Free Awareness Program as required by Government Code Section 8355(a)(2) to inform employees about all the following: 1) The dangers of drug abuse in the workplace; 2) The person's or organization's policy of maintaining a Drug-Free workplace; 3) Any available counseling, rehabilitation, and employee assistance programs; and 4) Penalties that may be imposed upon employees for drug abuse violations; c) Provide, as required by Government Code Section 8355(a)(3), that every employee who works on the proposed contract or grant: 1) Will receive a copy of the company's Drug-Free Policy Statement; and 2) Will agree to abide by the terms of the company's statement as a condition of employment on the contract or grant; d) Failure to comply with these requirements may result in suspension of payments under this Agreement or termination of this Agreement or both, and the Subrecipient may be ineligible for the award of any future State contracts if the City or Caltrans determines that any of the following has occurred: (1) the Subrecipient has made a false certification or, (2) the Subrecipient violates the certification by failing to carry out the requirements as noted above.

5.10 State-Owned Data. The Subrecipient agrees to comply with the following requirements to ensure the preservation, security, and integrity of State-owned data on portable computing devices and portable electronic storage media: 1) Encrypt all State-owned data stored on portable computing devices and portable electronic storage media using government-certified Advanced Encryption Standard (AES) cipher algorithm with a 256-bit or 128-bit encryption key to protect Caltrans data stored on every sector of a hard drive, including temp files, cached data, hibernation files, and even unused disk space; 2) Data encryption shall use cryptographic technology that has been tested and approved against exacting standards, such as FIPS 140-2 Security Requirements for Cryptographic Modules; 3) Encrypt, as described above, all State-owned data transmitted from one computing device or storage medium to another; 4) Maintain confidentiality of all State-owned data by limiting data sharing to those individuals contracted to provide services on behalf of the State, and limit use of State information assets for State purposes only; 5) Install and maintain current anti-virus software, security patches, and upgrades on all computing devices used during the course of the Agreement; 6) Notify the City immediately of any actual or attempted violations of security of State-owned data, including lost or stolen computing devices, files, or portable electronic storage media containing State-owned data; 7) Advise the owner of the State-owned data, the City Manager, and the City Chief Information Officer of vulnerabilities that may present a threat to the security of State-owned data and of specific means of protecting that State-owned data. The Subrecipient agrees to use the State-owned data only for State purposes under this Agreement. The Subrecipient agrees to not transfer State-owned data to any computing system, mobile device, or desktop computer without first establishing the specifications for information integrity and security as established for the original data file(s) (State Administrative Manual (SAM) Section 5335.1).

5.11 Assumption of Risk and Indemnification Regarding Exposure to Environmental Health Hazards. In addition to, and not a limitation of, the Subrecipient's indemnification

obligations contained elsewhere in this Agreement, the Subrecipient hereby assumes all risks of the consequences of exposure of the Subrecipient's employees, agents, subrecipients, contractors, and subcontractors, subcontractors' employees, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, to any and all environmental health hazards, local and otherwise, in connection with the performance of this Agreement. Such hazards include, but are not limited to, bodily injury and/or death resulting in whole or in part from exposure to infectious agents and/or pathogens of any type, kind or origin. The Subrecipient also agrees to take all appropriate safety precautions to prevent any such exposure to the Subrecipient's employees, agents, subrecipients, contractors, and subcontractors, subcontractors' employees, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement. The Subrecipient also agrees to indemnify and hold harmless the City, Caltrans, the State of California, and each and all their officers, agents and employees, from any and all claims and/or losses accruing or resulting from such exposure. Except as provided by law, the Subrecipient also agrees that the provisions of this paragraph shall apply regardless of the existence or degree of negligence or fault on the part of the City, Caltrans, the State of California, and/or any of their officers, agents and/or employees.

5.12 Mandatory Organic Waste Recycling. It is understood and agreed that pursuant to Public Resources Code Sections 42649.8 et seq., if the Subrecipient generates two (2) cubic yards or more of organic waste or commercial solid waste per week, the Subrecipient shall arrange for organic waste or commercial waste recycling services that separate/source organic waste for organic waste recycling. The Subrecipient shall provide proof of compliance, i.e., organic waste recycling services or commercial waste recycling services that separate/source organic waste recycling, upon request from the City.

5.13 ADA Compliance. All entities that provide electronic or information technology or related services that will be posted online by the City or Caltrans must be in compliance with Government Code Sections 7405 and 11135 and the Web Content Accessibility Guidelines (WCAG) 2.0 or subsequent version, published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success. All entities will respond to and resolve any complaints/deficiencies regarding accessibility brought to their attention.

5.14 Executive Order N-6-22 – Russia Sanctions. On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law unless the contract has been Federalized (i.e., there is federal participation in any phase). The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the City or the State determine the Subrecipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The City shall provide the Subrecipient advance written notice of such termination, allowing the Subrecipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the City.

5.15 The Subrecipient shall ensure that its contractors and subcontractors comply with all pass-through obligations set forth in this Section 5.

5.16 The Subrecipient shall provide quarterly progress reports to the City, detailing progress, expenditures, and any issues, to enable the City's reporting to Caltrans under Section III, Paragraph 17 of the Prime Agreement.

## 6. INSURANCE

6.1 Time for Compliance. Subrecipient shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Subrecipient shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Agreement for cause.

6.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, the Subrecipient, in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Subrecipient agrees to amend, supplement or endorse the policies to do so.

(a) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, or the exact equivalent, with limits of not less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(b) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering "Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than \$1,000,000 combined limit for each occurrence.

(c) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

6.3 Professional Liability (Errors & Omissions): Professional Liability insurance or Errors & Omissions insurance appropriate to Subrecipient's profession with limits of not less than \$1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous

coverage will be maintained or an extended reporting period will be exercised for a period of at least five (5) years from termination or expiration of this Agreement.

6.4 Insurance Endorsements. Required insurance policies shall contain the following provisions, or Subrecipient shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

(a) Commercial General Liability: (1) Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to “ongoing operations”; (2) exclude “contractual liability”; (3) restrict coverage to “sole” liability of Subrecipient; or (4) contain any other exclusions contrary to the terms or purposes of this Agreement. For all policies of Commercial General Liability insurance, Subrecipient shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement. (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(b) Automobile Liability. (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(c) Professional Liability (Errors & Omissions): 1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Contractual Liability Exclusion Deleted: This insurance shall include contractual liability applicable to this Agreement. The policy must “pay on behalf of” the insured and include a provision establishing the insurer’s duty to defend.

(d) Workers’ Compensation: (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees, agents, and volunteers.

6.5 Primary and Non-Contributing Insurance. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

6.6 Waiver of Subrogation. All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Subrecipient or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Subrecipient hereby waives its own right of recovery

against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

6.7 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

6.8 Evidence of Insurance. The Subrecipient, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the City, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Subrecipient shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

6.9 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

6.10 Enforcement of Agreement Provisions (non estoppel). Subrecipient acknowledges and agrees that actual or alleged failure on the part of the City to inform Subrecipient of non-compliance with any requirement imposes no additional obligation on the City nor does it waive any rights hereunder.

6.11 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

6.12 Additional Insurance Provisions

(a) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Subrecipient, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Subrecipient pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(b) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Subrecipient or City will withhold amounts

sufficient to pay premium from Subrecipient payments. In the alternative, City may cancel this Agreement.

(c) The City may require the Subrecipient to provide complete copies of all insurance policies in effect for the duration of the Project.

(d) Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

(e) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Subrecipient from liability in excess of such coverage, nor shall it limit the Subrecipient's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

(f) Subrecipient shall report to the City, in addition to Subrecipient's insurer, any and all insurance claims submitted by Subrecipient in connection with the Services under this Agreement.

6.13 Insurance for Subconsultants. Subrecipient shall include all subconsultants engaged in any work for Subrecipient relating to this Agreement as additional insureds under the Subrecipient's policies, or the Subrecipient shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Subrecipient's subconsultants performing work relating to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Subrecipient shall not allow any subconsultant to commence work on any subcontract relating to this Agreement until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this Agreement, to the extent applicable. The Subrecipient shall provide satisfactory evidence of compliance with this section upon request of the City.

## **7. TERMINATION**

7.1 City reserves the right to terminate this Agreement for any or no reason upon written notice to Subrecipient at least 30 days in advance of the effective date of such termination in the event City determines (at its sole discretion) that Subrecipient failed to proceed or continue with Project Work in accordance with the terms of this Agreement. In the event of termination for convenience, City will reimburse Subrecipient for all allowable, authorized, and non-cancelled costs up to the date of termination.

7.2 This Agreement may be terminated by either party for any or no reason by giving written notice to the other Party at least thirty (30) days in advance of the effective date of such termination. In the event of termination for convenience, City will reimburse Subrecipient for all allowable, authorized, and non-cancelled costs up to the date of termination.

7.3 Subrecipient has sixty (60) days after the Termination Date to submit accurate invoices to City to make final allowable payments for Project costs in accordance with the terms of this Agreement. Failure to submit accurate invoices within this period of time shall result in a waiver by Subrecipient of its right to reimbursement of expended costs.

## **8. BUDGET CONTINGENCY CLAUSE**

8.1 It is mutually agreed that if Caltrans is unable to appropriate or allocate funds during the current year and/or any subsequent years covered under this Agreement and are not able to provide sufficient funds for the Project, this Agreement shall be of no further force and effect. In this event, City shall have no liability to pay any funds whatsoever to Subrecipient or to furnish any other consideration under this Agreement and Subrecipient shall not be obligated to perform any provisions of this Agreement.

8.2 If funding to Caltrans for any fiscal year is reduced or deleted for purposes of this Project, City shall have the option to either terminate this Agreement with no liability occurring to City or offer an Agreement Amendment to Subrecipient to reflect reduced amount.

## **9. CHANGES/AMENDMENTS**

This Agreement may only be amended or modified during the Term of the by mutual written agreement of the Parties. Any proposed modification to this Agreement that requires a formal amendment must be submitted by Subrecipient to City no less than 120 days prior to the expiration of the Term.

## **10. DISPUTE RESOLUTION**

Disputes shall be resolved per Section III, Paragraph 24 of the Prime Agreement, including good faith negotiations and alternative dispute resolution before litigation.

## **11. INDEPENDENT CONTRACTOR**

The Subrecipient is an independent contractor, not an employee or agent of the City.

## **12. NOTICES**

The City's Project Manager for the Project is Kendra Reif. The City's Financial Manager for the Project is Ruben Ramirez. The Subrecipient's Contract Manager is Bernadette Austin, or her designee following notice to the City.

All notices herein provided to be given, or which may be given, by either Party to the other, shall be deemed to have been fully given when made in writing and received by the Parties at their respective addresses:

**City of Coachella**

Attention: Kendra Reif, Project Manager  
53990 Enterprise Way  
Coachella, CA 92236  
Phone: (760) 398-3502  
Email: kreif@coachella.org

**TERRA NOVA**

Attention: Nicole Sauviat Criste  
42635 Melanie Place, Suite 101  
Palm Desert, CA 92211  
Email: admin@terranovaplanning.com

**13. COOPERATION; FURTHER ACTS**

The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

**14. ENTIRE AGREEMENT**

This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

**15. ATTORNEYS' FEES**

If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

**16. GOVERNING LAW**

This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Subrecipient must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Subrecipient. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Subrecipient shall be barred from bringing and maintaining a valid lawsuit against the City.

**17. TIME OF ESSENCE**

Time is of the essence for each and every provision of this Agreement.

**18. CITY'S RIGHT TO EMPLOY OTHER SUBRECIPIENTS.**

City reserves right to employ other subrecipients in connection with this Project.

**19. SUCCESSORS AND ASSIGNS**

This Agreement shall be binding on the successors and assigns of the parties.

**20. ASSIGNMENT OR TRANSFER**

Subrecipient shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subrecipient shall not subcontract any portion of the Services required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

**21. CONSTRUCTION; REFERENCES; CAPTIONS**

Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Subrecipient include all personnel, employees, agents, and subconsultants of Subrecipient, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

**22. WAIVER**

No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

**23. NO THIRD-PARTY BENEFICIARIES**

There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

**24. INVALIDITY; SEVERABILITY**

If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

**25. PROHIBITED INTERESTS**

Subrecipient maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Subrecipient, to solicit or secure this Agreement. Subrecipient warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Subrecipient, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Subrecipient further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

**26. AUTHORITY TO ENTER AGREEMENT**

Subrecipient has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

**27. COUNTERPARTS**

This Agreement may be signed in counterparts, each of which shall constitute an original.

**28. SURVIVAL**

All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

Agreement No. \_\_\_\_\_

**EXHIBIT "1"**  
**PRIME AGREEMENT**

## SUBRECIPIENT AGREEMENT

This Subrecipient Agreement (“Agreement”), effective as of \_\_\_\_\_, 2026 (“Effective Date”) is entered into by and between the CITY OF COACHELLA, a municipal corporation of the State of California with its principal place of business located at 53990 Enterprise Way, Coachella, CA 92236 (“City”), and RAICES CULTURA, a California nonprofit public benefit corporation with its principal place of business located at 1536 7<sup>th</sup> Street, Coachella, CA 92236 (“Subrecipient”). City and Subrecipient shall be referred to herein individually as “Party” and collectively as “Parties.”

### RECITALS

A. The City has entered into a Restricted Grant Agreement (RGA) with the California Department of Transportation (Caltrans), Agreement Number 74A1763, dated November 17, 2025 (“Prime Agreement”), for the Cesar Chavez Street Corridor Transformation Plan project (the “Project”), funded pursuant to Budget Act Line Item 2660-102-3290 under California Senate Bill No. 1 (SB-1), also known as the Road Repair and Accountability Act of 2017.

B. The Prime Agreement provides restricted grant funds in the amount of \$393,740.00 to the City for the purpose of conducting transportation studies and planning within the Project area, as detailed in the Scope of Work and Project Cost and Schedule (Attachment II to the Prime Agreement), the Grant Application Guide (Attachment III to the Prime Agreement), and other attachments incorporated therein.

C. The City is responsible under the Prime Agreement for timely and satisfactorily completing all Project work within the budget and in accordance with the terms of the Prime Agreement.

D. The Subrecipient has been identified in the Scope of Work (Attachment II to the Prime Agreement) as a sub-applicant and partner to assist the City with Project management, coordination, community engagement, outreach, and other specified tasks essential to the Project.

E. The City desires to pass through a portion of the grant funds and delegate certain Project responsibilities to the Subrecipient, subject to the Subrecipient’s compliance with all applicable terms of the Prime Agreement, California law, and this Agreement.

F. This Agreement is intended to ensure that the Subrecipient performs its delegated responsibilities in full compliance with the Prime Agreement and all federal, state, and local laws, regulations, and requirements applicable to the use of SB-1 funds, including but not limited to Government Code Section 14460(a)(1) and 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards).

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein, the parties agree as follows:

## 1. INCORPORATION OF PRIME AGREEMENT

1.1 The Prime Agreement, including all attachments (e.g., Attachment I: Agency Resolution; Attachment II: Scope of Work and Project Cost and Schedule; Attachment III: Grant Application Guide), is incorporated herein and attached hereto as **Exhibit “1.”** The Subrecipient acknowledges receipt of a copy of the Prime Agreement and agrees to comply with all applicable terms, covenants, conditions, and obligations therein as if the Subrecipient were the “AGENCY” under the Prime Agreement, to the extent such terms are applicable to the Subrecipient’s scope of services.

1.2 In the event of any conflict between this Agreement and the Prime Agreement, the Prime Agreement shall control, except where this Agreement imposes more stringent requirements to ensure compliance with California law.

## 2. SCOPE OF SERVICES

2.1 The Subrecipient shall perform the services described in the Scope of Work (Attachment II to the Prime Agreement) assigned to Raices Cultura (“Services” or “Project Work”), including but not limited to:

(a) Assisting with identifying community-based partners to join the Project Advisory Group to direct the development of a comprehensive, inclusive, and effective community outreach and engagement plan.

(b) Leading and participating in community engagement events.

(c) Identifying community stakeholders to include on the Advisory Group.

(d) Developing publicity materials.

(e) Distributing flyer and posters to schools and businesses.

(f) Assisting with the documentation of public input for inclusion in the Cesar Chavez Street Corridor Transformation Plan document.

(g) Staffing and helping to facilitate community engagement activities including workshops, focus group meetings and stakeholder listening sessions (in English and Spanish).

2.2 All Services shall be performed in accordance with the Project timeline in Attachment II to the Prime Agreement, the Grant Application Guide (Attachment III to the Prime Agreement), and all applicable federal, state, and local laws, regulations, ordinances, Caltrans policies and procedures, and published manuals.

2.3 The Subrecipient shall not subcontract any portion of its Services without the prior written approval of the City. Any approved subcontracts shall incorporate all applicable terms of this Agreement and the Prime Agreement.

### 3. COMPENSATION AND PAYMENT

3.1 The maximum amount payable to the Subrecipient under this Agreement shall not exceed **Fifty Thousand Dollars (\$50,000)** (“Grant Amount”). This amount is a portion of the Prime Agreement grant funds and is subject to the City’s receipt of funds from Caltrans.

3.2 Funds may only be used for the purpose set forth in this Agreement, the Prime Agreement, and the attachments to the Prime Agreement, and funds may only be used for costs and expenses that are directly related to such purpose.

3.3 Compensation shall be based on actual allowable costs incurred by the Subrecipient in performing the Services, in accordance with Section III, Paragraph 15 of the Prime Agreement (Payment and Invoicing). No in-kind contributions are allowed unless identified in advance and approved by both Parties in writing.

3.4 The Subrecipient shall submit invoices to the City at least quarterly but no more frequently than monthly, in arrears, for completed milestones. Invoices shall include:

- (a) Names of Subrecipient personnel performing work.
- (b) Dates, times, and locations of work.
- (c) Itemized costs, including labor rates, hours, travel expenses (limited to State of California Department of Human Resources rates), and receipts.
- (d) Certification of compliance with this Agreement and the Prime Agreement.

3.5 Indirect costs are reimbursable only if the Subrecipient has an approved Indirect Cost Allocation Plan or Indirect Cost Rate Proposal per 2 CFR Part 200 and Chapter 5 of the Local Assistance Procedures Manual.

3.6 The City shall reimburse the Subrecipient for allowable costs within thirty (30) days of approval, subject to the City’s receipt of corresponding reimbursement from Caltrans. The Subrecipient must have paid for costs before claiming reimbursement.

3.7 All costs must be incurred after the City’s issuance of a Notice to Proceed and before the end of the Term.

### 4. TERM AND PERIOD OF PERFORMANCE

4.1 This Agreement shall become effective on the Effective Date or upon the City’s receipt of a Notice to Proceed from Caltrans under the Prime Agreement, whichever occurs later. The term of this Agreement (“Term”) shall continue in full force and effect until June 30, 2028, unless earlier terminated in accordance with the provisions of Section 7 (Termination) herein or upon the expiration or termination of the Prime Agreement, whichever occurs first. Notwithstanding the foregoing, the Subrecipient’s obligations regarding record retention, audits, indemnification, re-payment of unallowable costs, and any other provisions that by their nature survive termination shall remain in effect beyond the expiration or termination of this Agreement,

as specified in the applicable sections hereof and in the Prime Agreement. The Subrecipient shall commence performance of the Services promptly upon the Effective Date and shall complete all Services in a timely manner consistent with the Project timeline set forth in Attachment II to the Prime Agreement. Time is of the essence in the performance of this Agreement.

4.2 The Subrecipient shall attend a kickoff meeting with the City within one week of the Notice to Proceed.

## **5. PASS-THROUGH OBLIGATIONS AND COMPLIANCE**

5.1 Compliance with Laws, Regulations, and Policies. The Subrecipient shall perform all Services under this Agreement in accordance with California Senate Bill No. 1 (SB-1) (Chapter 5, Statutes of 2017), also known as the Road Repair and Accountability Act of 2017, including, but not limited to, Government Code Section 14460(a)(1), as well as all applicable Federal, State, and Local laws, regulations, and ordinances, all applicable Caltrans policies and procedures, and all applicable Caltrans published manuals, including, but not limited to, the applicable Grant Application Guide (Attachment III to the Prime Agreement). In case of conflict between any applicable Federal, State, and Local laws, regulations, and ordinances, and/or any applicable policies, procedures, or published manuals of either Caltrans or the City, the order of precedence of the applicability of same to this Agreement shall be established in this order: 1) Federal laws and regulations; 2) California laws and regulations; 3) Caltrans policies, procedures, and published manuals; 4) Local ordinances; and 5) City policies, procedures, and published manuals.

5.2 Payment and Invoicing. The Subrecipient shall establish and maintain an accounting system and records that properly accumulate and segregate incurred Project costs by line. The accounting system of the Subrecipient shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. Reimbursement of the Subrecipient's expenditures will be authorized only for those allowable costs actually incurred by the Subrecipient in accordance with the provisions of this Agreement and the Prime Agreement and in the performance of the Services. The Subrecipient must not only have incurred the expenditures on or after the start date and the issuance of the Notice to Proceed letter for this Agreement and before the Expiration Date but must have also paid for those costs to claim any reimbursement. Travel expenses and per diem rates are not to exceed the rate specified by the State of California Department of Human Resources for similar employees (i.e., non-represented employees) unless written verification is supplied that government hotel rates were not then commercially available to the Subrecipient at the time and location required as specified in the California Department of Transportation's Travel Guide Exception Process. The Subrecipient shall submit invoices to the City at least quarterly, but no more frequently than monthly, in arrears for completion of milestones in accordance with the Project Cost and Schedule in Attachment II to the Prime Agreement to the satisfaction of the City. Invoices shall reference this Agreement Number and shall be signed and submitted to the City. One-time lump sum invoices for the Grant Amount are not allowed. Invoices shall include the following information: 1) Names of the Subrecipient personnel performing work; 2) Dates and times of Project Work; 3) Locations of Project Work; 4) Itemized costs as set forth in Attachment II to the Prime Agreement, including identification of each employee who provided services during the period of the invoice, the number of hours and hourly rates for each employee, authorized travel expenses with receipts, receipts for authorized

materials or supplies, and contractor, sub-recipient, and subcontractor invoices. Incomplete or inaccurate invoices shall be returned to the Subrecipient unapproved for correction. Failure to submit invoices on a timely basis may be grounds for termination of this Agreement for material breach per Section 7. The Agreement Expiration Date refers to the last date for the Subrecipient to incur valid Project costs or credits and is the date the Agreement expires. The Subrecipient has 60 days after that Expiration Date to make final allowable payments to Project contractors or vendors and submit the Project's Final Product(s) as defined in Attachment II to the Prime Agreement and a final accurate invoice to the City for reimbursement for allowable Project costs. Any unexpended Project funds not invoiced by the 60th day will be reverted and will no longer be accessible to reimburse late Project invoices.

5.3 Cost Principles. The Subrecipient agrees to comply with Title 2, Code of Federal Regulations (CFR), Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Subrecipient agrees that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual Project costs and (b) the Parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Subrecipient shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards to the extent applicable. Prior to the Subrecipient seeking reimbursement of indirect costs, the Subrecipient must have identified the estimated indirect cost rate in Attachment II to the Prime Agreement, prepare and submit annually to the City for review and approval an indirect cost rate proposal and a central service cost allocation plan (if any) in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Chapter 5 of the Local Assistance Procedures Manual. The Subrecipient agrees and shall require that all its agreements with consultants and sub-recipients contain provisions requiring adherence to this section in its entirety.

5.4 Repayment of Unallowable Costs. Any Project costs for which the Subrecipient has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, and/or Part 48, Chapter 1, Part 31, are subject to repayment by the Subrecipient to the City. Should the Subrecipient fail to reimburse moneys due the City within thirty (30) days of discovery or demand, or within such other period as may be agreed in writing between the parties hereto, the City is authorized to intercept and withhold future payments due the Subrecipient from the City or any third-party source, including, but not limited to, the State Treasurer, the State Controller or any other fund source.

5.5 Americans with Disabilities Act. By signing this Agreement, the Subrecipient assures the City that in the course of performing Project Work, it will fully comply with the applicable provisions of the Americans with Disabilities Act (ADA) of 1990, as amended, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 USC Section 12101 et seq.).

5.6 Indemnification. Neither the City, Caltrans, nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by the Subrecipient, its officers, employees, agents, contractors, subrecipients, or

subcontractors, under or in connection with any work, authority, or jurisdiction conferred upon the Subrecipient under this Agreement. It is understood and agreed that the Subrecipient shall fully defend, indemnify, and save harmless the City, Caltrans, and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by the Subrecipient, its officers, employees, agents, contractors, subrecipients, or subcontractors under this Agreement.

5.7 Nondiscrimination Clause. During the performance of this Agreement, the Subrecipient shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. The Subrecipient shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. The Subrecipient shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code Sections 12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., Tit. 2, Sections 11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code Sections 11135-11139.5), and the regulations or standards adopted by the City or Caltrans to implement such article. The Subrecipient shall permit access by representatives of the Department of Fair Employment and Housing, the City, and Caltrans upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department, the City, or Caltrans shall require to ascertain compliance with this clause. The Subrecipient shall give written notice of its obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Subrecipient shall include the nondiscrimination and compliance provisions of this clause in all agreements with its contractors and subcontractors (preapproved by City), and shall include a requirement in all agreements with all of same that each of them in turn include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts they enter into to perform work under this Agreement.

5.8 Retention of Records/Audits. The Subrecipient agrees to comply with Title 2, Code of Federal Regulations (CFR), Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. All accounting records and other supporting papers of the Subrecipient, its contractors, subcontractors, and sub-recipients connected with Project performance under this Agreement shall be maintained for a minimum of three (3) years from the date of final payment to the Subrecipient and shall be held open to inspection, copying, and audit by representatives of the City, Caltrans, the California State Auditor, and auditors representing the Federal government. Copies thereof will be furnished by the Subrecipient, its contractors, its subcontractors, and sub-recipients upon receipt of any request made by the City, Caltrans, or its agents. In conducting an audit of the costs and match credits claimed under this Agreement, the City and Caltrans will rely to the maximum extent possible on any prior audit of the Subrecipient pursuant to the provisions of State and City law. In the absence of such an audit, any acceptable

audit work performed by the Subrecipient's external and internal auditors may be relied upon and used by the City and Caltrans when planning and conducting additional audits. For the purpose of determining compliance with applicable State and City law in connection with the performance of the Subrecipient's contracts with third parties pursuant to Government Code Section 8546.7, the Subrecipient, the Subrecipient's sub-recipients, contractors, subcontractors, the City, and Caltrans, shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire Project period and for three (3) years from the date of final payment to the Subrecipient under this Agreement. The City, Caltrans, the California State Auditor, or any duly authorized representative of the City, Caltrans, or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent to a Project for audits, examinations, excerpts, and transactions, and the Subrecipient shall furnish copies thereof if requested. The Subrecipient, its sub-recipients, contractors, and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the City or Caltrans, for the purpose of any investigation to ascertain compliance with this Agreement. Additionally, all grants may be subject to a pre-award audit prior to execution of this Agreement to ensure the Subrecipient has an adequate financial management system in place to accumulate and segregate reasonable, allowable, and allocable costs. Any contract with a contractor, subcontractor, or sub-recipient entered into as a result of this Agreement shall contain all the provisions of this article.

5.9 Drug-Free Workplace Certification. By signing this Agreement, the Subrecipient hereby certifies under penalty of perjury under the laws of California that the Subrecipient will comply with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code Sections 8350 et seq.) and will provide a Drug-Free workplace by doing all the following: a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a)(1); b) Establish a Drug-Free Awareness Program as required by Government Code Section 8355(a)(2) to inform employees about all the following: 1) The dangers of drug abuse in the workplace; 2) The person's or organization's policy of maintaining a Drug-Free workplace; 3) Any available counseling, rehabilitation, and employee assistance programs; and 4) Penalties that may be imposed upon employees for drug abuse violations; c) Provide, as required by Government Code Section 8355(a)(3), that every employee who works on the proposed contract or grant: 1) Will receive a copy of the company's Drug-Free Policy Statement; and 2) Will agree to abide by the terms of the company's statement as a condition of employment on the contract or grant; d) Failure to comply with these requirements may result in suspension of payments under this Agreement or termination of this Agreement or both, and the Subrecipient may be ineligible for the award of any future State contracts if the City or Caltrans determines that any of the following has occurred: (1) the Subrecipient has made a false certification or, (2) the Subrecipient violates the certification by failing to carry out the requirements as noted above.

5.10 State-Owned Data. The Subrecipient agrees to comply with the following requirements to ensure the preservation, security, and integrity of State-owned data on portable

computing devices and portable electronic storage media: 1) Encrypt all State-owned data stored on portable computing devices and portable electronic storage media using government-certified Advanced Encryption Standard (AES) cipher algorithm with a 256-bit or 128-bit encryption key to protect Caltrans data stored on every sector of a hard drive, including temp files, cached data, hibernation files, and even unused disk space; 2) Data encryption shall use cryptographic technology that has been tested and approved against exacting standards, such as FIPS 140-2 Security Requirements for Cryptographic Modules; 3) Encrypt, as described above, all State-owned data transmitted from one computing device or storage medium to another; 4) Maintain confidentiality of all State-owned data by limiting data sharing to those individuals contracted to provide services on behalf of the State, and limit use of State information assets for State purposes only; 5) Install and maintain current anti-virus software, security patches, and upgrades on all computing devices used during the course of the Agreement; 6) Notify the City immediately of any actual or attempted violations of security of State-owned data, including lost or stolen computing devices, files, or portable electronic storage media containing State-owned data; 7) Advise the owner of the State-owned data, the City Manager, and the City Chief Information Officer of vulnerabilities that may present a threat to the security of State-owned data and of specific means of protecting that State-owned data. The Subrecipient agrees to use the State-owned data only for State purposes under this Agreement. The Subrecipient agrees to not transfer State-owned data to any computing system, mobile device, or desktop computer without first establishing the specifications for information integrity and security as established for the original data file(s) (State Administrative Manual (SAM) Section 5335.1).

5.11 Assumption of Risk and Indemnification Regarding Exposure to Environmental Health Hazards. In addition to, and not a limitation of, the Subrecipient's indemnification obligations contained elsewhere in this Agreement, the Subrecipient hereby assumes all risks of the consequences of exposure of the Subrecipient's employees, agents, subrecipients, contractors, and subcontractors, subcontractors' employees, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, to any and all environmental health hazards, local and otherwise, in connection with the performance of this Agreement. Such hazards include, but are not limited to, bodily injury and/or death resulting in whole or in part from exposure to infectious agents and/or pathogens of any type, kind or origin. The Subrecipient also agrees to take all appropriate safety precautions to prevent any such exposure to the Subrecipient's employees, agents, subrecipients, contractors, and subcontractors, subcontractors' employees, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement. The Subrecipient also agrees to indemnify and hold harmless the City, Caltrans, the State of California, and each and all their officers, agents and employees, from any and all claims and/or losses accruing or resulting from such exposure. Except as provided by law, the Subrecipient also agrees that the provisions of this paragraph shall apply regardless of the existence or degree of negligence or fault on the part of the City, Caltrans, the State of California, and/or any of their officers, agents and/or employees.

5.12 Mandatory Organic Waste Recycling. It is understood and agreed that pursuant to Public Resources Code Sections 42649.8 et seq., if the Subrecipient generates two (2) cubic yards or more of organic waste or commercial solid waste per week, the Subrecipient shall arrange for organic waste or commercial waste recycling services that separate/source organic waste for organic waste recycling. The Subrecipient shall provide proof of compliance, i.e., organic waste

recycling services or commercial waste recycling services that separate/source organic waste recycling, upon request from the City.

5.13 ADA Compliance. All entities that provide electronic or information technology or related services that will be posted online by the City or Caltrans must be in compliance with Government Code Sections 7405 and 11135 and the Web Content Accessibility Guidelines (WCAG) 2.0 or subsequent version, published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success. All entities will respond to and resolve any complaints/deficiencies regarding accessibility brought to their attention.

5.14 Executive Order N-6-22 – Russia Sanctions. On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law unless the contract has been Federalized (i.e., there is federal participation in any phase). The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the City or the State determine the Subrecipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The City shall provide the Subrecipient advance written notice of such termination, allowing the Subrecipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the City.

5.15 The Subrecipient shall ensure that its contractors and subcontractors comply with all pass-through obligations set forth in this Section 5.

5.16 The Subrecipient shall provide quarterly progress reports to the City, detailing progress, expenditures, and any issues, to enable the City’s reporting to Caltrans under Section III, Paragraph 17 of the Prime Agreement.

## 6. INSURANCE

6.1 Time for Compliance. Subrecipient shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Subrecipient shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Agreement for cause.

6.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, the Subrecipient, in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Subrecipient agrees to amend, supplement or endorse the policies to do so.

(a) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office “occurrence” form CG 00

01, or the exact equivalent, with limits of not less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(b) **Automobile Liability Insurance:** Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering “Any Auto” (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than \$1,000,000 combined limit for each occurrence.

(c) **Workers’ Compensation:** Workers’ Compensation Insurance, as required by the State of California and Employer’s Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

6.3 **Professional Liability (Errors & Omissions):** Professional Liability insurance or Errors & Omissions insurance appropriate to Subrecipient’s profession with limits of not less than \$1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least five (5) years from termination or expiration of this Agreement.

6.4 **Insurance Endorsements.** Required insurance policies shall contain the following provisions, or Subrecipient shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

(a) **Commercial General Liability:** (1) **Additional Insured:** The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to “ongoing operations”; (2) exclude “contractual liability”; (3) restrict coverage to “sole” liability of Subrecipient; or (4) contain any other exclusions contrary to the terms or purposes of this Agreement. For all policies of Commercial General Liability insurance, Subrecipient shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement. (2) **Cancellation:** Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(b) **Automobile Liability.** (1) **Cancellation:** Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(c) Professional Liability (Errors & Omissions): 1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Contractual Liability Exclusion Deleted: This insurance shall include contractual liability applicable to this Agreement. The policy must “pay on behalf of” the insured and include a provision establishing the insurer’s duty to defend.

(d) Workers’ Compensation: (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees, agents, and volunteers.

6.5 Primary and Non-Contributing Insurance. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

6.6 Waiver of Subrogation. All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Subrecipient or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Subrecipient hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

6.7 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

6.8 Evidence of Insurance. The Subrecipient, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the City, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Subrecipient shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

6.9 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

6.10 Enforcement of Agreement Provisions (non estoppel). Subrecipient acknowledges and agrees that actual or alleged failure on the part of the City to inform Subrecipient of non-compliance with any requirement imposes no additional obligation on the City nor does it waive any rights hereunder.

6.11 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

6.12 Additional Insurance Provisions

(a) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Subrecipient, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Subrecipient pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(b) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Subrecipient or City will withhold amounts sufficient to pay premium from Subrecipient payments. In the alternative, City may cancel this Agreement.

(c) The City may require the Subrecipient to provide complete copies of all insurance policies in effect for the duration of the Project.

(d) Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

(e) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Subrecipient from liability in excess of such coverage, nor shall it limit the Subrecipient's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

(f) Subrecipient shall report to the City, in addition to Subrecipient's insurer, any and all insurance claims submitted by Subrecipient in connection with the Services under this Agreement.

6.13 Insurance for Subconsultants. Subrecipient shall include all subconsultants engaged in any work for Subrecipient relating to this Agreement as additional insureds under the Subrecipient's policies, or the Subrecipient shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Subrecipient's subconsultants performing work relating to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Subrecipient shall not allow any subconsultant to commence work on any subcontract relating to this Agreement until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this Agreement, to the extent applicable. The Subrecipient shall provide satisfactory evidence of compliance with this section upon request of the City.

## **7. TERMINATION**

7.1 City reserves the right to terminate this Agreement for any or no reason upon written notice to Subrecipient at least 30 days in advance of the effective date of such termination in the event City determines (at its sole discretion) that Subrecipient failed to proceed or continue with Project Work in accordance with the terms of this Agreement. In the event of termination for convenience, City will reimburse Subrecipient for all allowable, authorized, and non-cancelled costs up to the date of termination.

7.2 This Agreement may be terminated by either party for any or no reason by giving written notice to the other Party at least thirty (30) days in advance of the effective date of such termination. In the event of termination for convenience, City will reimburse Subrecipient for all allowable, authorized, and non-cancelled costs up to the date of termination.

7.3 Subrecipient has sixty (60) days after the Termination Date to submit accurate invoices to City to make final allowable payments for Project costs in accordance with the terms of this Agreement. Failure to submit accurate invoices within this period of time shall result in a waiver by Subrecipient of its right to reimbursement of expended costs.

## **8. BUDGET CONTINGENCY CLAUSE**

8.1 It is mutually agreed that if Caltrans is unable to appropriate or allocate funds during the current year and/or any subsequent years covered under this Agreement and are not able to provide sufficient funds for the Project, this Agreement shall be of no further force and effect. In this event, City shall have no liability to pay any funds whatsoever to Subrecipient or to furnish any other consideration under this Agreement and Subrecipient shall not be obligated to perform any provisions of this Agreement.

8.2 If funding to Caltrans for any fiscal year is reduced or deleted for purposes of this Project, City shall have the option to either terminate this Agreement with no liability occurring to City or offer an Agreement Amendment to Subrecipient to reflect reduced amount.

## **9. CHANGES/AMENDMENTS**

This Agreement may only be amended or modified during the Term of the by mutual written agreement of the Parties. Any proposed modification to this Agreement that requires a formal amendment must be submitted by Subrecipient to City no less than 120 days prior to the expiration of the Term.

#### **10. DISPUTE RESOLUTION**

Disputes shall be resolved per Section III, Paragraph 24 of the Prime Agreement, including good faith negotiations and alternative dispute resolution before litigation.

#### **11. INDEPENDENT CONTRACTOR**

The Subrecipient is an independent contractor, not an employee or agent of the City.

#### **12. NOTICES**

The City's Project Manager for the Project is Kendra Reif. The City's Financial Manager for the Project is Ruben Ramirez. The Subrecipient's Contract Manager is Bernadette Austin, or her designee following notice to the City.

All notices herein provided to be given, or which may be given, by either Party to the other, shall be deemed to have been fully given when made in writing and received by the Parties at their respective addresses:

**City of Coachella**  
Attention: Kendra Reif, Project Manager  
53990 Enterprise Way  
Coachella, CA 92236  
Phone: (760) 398-3502  
Email: kreif@coachella.org

**Raices Cultura**  
Attention: Marnie Navarro  
1536 7<sup>th</sup> Street  
Coachella, CA 92236  
Email: marnie.navarro@raicesdelvalle.org

#### **13. COOPERATION; FURTHER ACTS**

The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

#### **14. ENTIRE AGREEMENT**

This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

**15. ATTORNEYS' FEES**

If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

**16. GOVERNING LAW**

This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Subrecipient must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Subrecipient. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Subrecipient shall be barred from bringing and maintaining a valid lawsuit against the City.

**17. TIME OF ESSENCE**

Time is of the essence for each and every provision of this Agreement.

**18. CITY'S RIGHT TO EMPLOY OTHER SUBRECIPIENTS.**

City reserves right to employ other subrecipients in connection with this Project.

**19. SUCCESSORS AND ASSIGNS**

This Agreement shall be binding on the successors and assigns of the parties.

**20. ASSIGNMENT OR TRANSFER**

Subrecipient shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subrecipient shall not subcontract any portion of the Services required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

**21. CONSTRUCTION; REFERENCES; CAPTIONS**

Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall

be deemed calendar days and not work days. All references to Subrecipient include all personnel, employees, agents, and subconsultants of Subrecipient, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

**22. WAIVER**

No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

**23. NO THIRD-PARTY BENEFICIARIES**

There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

**24. INVALIDITY; SEVERABILITY**

If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

**25. PROHIBITED INTERESTS**

Subrecipient warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Subrecipient, to solicit or secure this Agreement. Subrecipient warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Subrecipient, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Subrecipient further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

**26. AUTHORITY TO ENTER AGREEMENT**

Subrecipient has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

**27. COUNTERPARTS**

This Agreement may be signed in counterparts, each of which shall constitute an original.

**28. SURVIVAL**

All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first above written.

**CITY OF COACHELLA**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**RAICES CULTURA**

By: \_\_\_\_\_

Printed Name: Marnie Navarro

Title: Executive Director

Date: \_\_\_\_\_

Agreement No. \_\_\_\_\_

**EXHIBIT "1"**  
**PRIME AGREEMENT**

## SUBRECIPIENT AGREEMENT

This Subrecipient Agreement (“Agreement”), effective as of \_\_\_\_\_, 2026 (“Effective Date”) is entered into by and between the CITY OF COACHELLA, a municipal corporation of the State of California with its principal place of business located at 53990 Enterprise Way, Coachella, CA 92236 (“City”), and RAICES CULTURA, a California nonprofit public benefit corporation with its principal place of business located at 1536 7<sup>th</sup> Street, Coachella, CA 92236 (“Subrecipient”). City and Subrecipient shall be referred to herein individually as “Party” and collectively as “Parties.”

### RECITALS

A. The City has entered into a Restricted Grant Agreement (RGA) with the California Department of Transportation (Caltrans), Agreement Number 74A1763, dated November 17, 2025 (“Prime Agreement”), for the Cesar Chavez Street Corridor Transformation Plan project (the “Project”), funded pursuant to Budget Act Line Item 2660-102-3290 under California Senate Bill No. 1 (SB-1), also known as the Road Repair and Accountability Act of 2017.

B. The Prime Agreement provides restricted grant funds in the amount of \$393,740.00 to the City for the purpose of conducting transportation studies and planning within the Project area, as detailed in the Scope of Work and Project Cost and Schedule (Attachment II to the Prime Agreement), the Grant Application Guide (Attachment III to the Prime Agreement), and other attachments incorporated therein.

C. The City is responsible under the Prime Agreement for timely and satisfactorily completing all Project work within the budget and in accordance with the terms of the Prime Agreement.

D. The Subrecipient has been identified in the Scope of Work (Attachment II to the Prime Agreement) as a sub-applicant and partner to assist the City with Project management, coordination, community engagement, outreach, and other specified tasks essential to the Project.

E. The City desires to pass through a portion of the grant funds and delegate certain Project responsibilities to the Subrecipient, subject to the Subrecipient’s compliance with all applicable terms of the Prime Agreement, California law, and this Agreement.

F. This Agreement is intended to ensure that the Subrecipient performs its delegated responsibilities in full compliance with the Prime Agreement and all federal, state, and local laws, regulations, and requirements applicable to the use of SB-1 funds, including but not limited to Government Code Section 14460(a)(1) and 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards).

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein, the parties agree as follows:

## 1. INCORPORATION OF PRIME AGREEMENT

1.1 The Prime Agreement, including all attachments (e.g., Attachment I: Agency Resolution; Attachment II: Scope of Work and Project Cost and Schedule; Attachment III: Grant Application Guide), is incorporated herein and attached hereto as **Exhibit “1.”** The Subrecipient acknowledges receipt of a copy of the Prime Agreement and agrees to comply with all applicable terms, covenants, conditions, and obligations therein as if the Subrecipient were the “AGENCY” under the Prime Agreement, to the extent such terms are applicable to the Subrecipient’s scope of services.

1.2 In the event of any conflict between this Agreement and the Prime Agreement, the Prime Agreement shall control, except where this Agreement imposes more stringent requirements to ensure compliance with California law.

## 2. SCOPE OF SERVICES

2.1 The Subrecipient shall perform the services described in the Scope of Work (Attachment II to the Prime Agreement) assigned to Raices Cultura (“Services” or “Project Work”), including but not limited to:

(a) Assisting with identifying community-based partners to join the Project Advisory Group to direct the development of a comprehensive, inclusive, and effective community outreach and engagement plan.

(b) Leading and participating in community engagement events.

(c) Identifying community stakeholders to include on the Advisory Group.

(d) Developing publicity materials.

(e) Distributing flyer and posters to schools and businesses.

(f) Assisting with the documentation of public input for inclusion in the Cesar Chavez Street Corridor Transformation Plan document.

(g) Staffing and helping to facilitate community engagement activities including workshops, focus group meetings and stakeholder listening sessions (in English and Spanish).

2.2 All Services shall be performed in accordance with the Project timeline in Attachment II to the Prime Agreement, the Grant Application Guide (Attachment III to the Prime Agreement), and all applicable federal, state, and local laws, regulations, ordinances, Caltrans policies and procedures, and published manuals.

2.3 The Subrecipient shall not subcontract any portion of its Services without the prior written approval of the City. Any approved subcontracts shall incorporate all applicable terms of this Agreement and the Prime Agreement.

### **3. COMPENSATION AND PAYMENT**

3.1 The maximum amount payable to the Subrecipient under this Agreement shall not exceed **Fifty Thousand Dollars (\$50,000)** (“Grant Amount”). This amount is a portion of the Prime Agreement grant funds and is subject to the City’s receipt of funds from Caltrans.

3.2 Funds may only be used for the purpose set forth in this Agreement, the Prime Agreement, and the attachments to the Prime Agreement, and funds may only be used for costs and expenses that are directly related to such purpose.

3.3 Compensation shall be based on actual allowable costs incurred by the Subrecipient in performing the Services, in accordance with Section III, Paragraph 15 of the Prime Agreement (Payment and Invoicing). No in-kind contributions are allowed unless identified in advance and approved by both Parties in writing.

3.4 The Subrecipient shall submit invoices to the City at least quarterly but no more frequently than monthly, in arrears, for completed milestones. Invoices shall include:

- (a) Names of Subrecipient personnel performing work.
- (b) Dates, times, and locations of work.
- (c) Itemized costs, including labor rates, hours, travel expenses (limited to State of California Department of Human Resources rates), and receipts.
- (d) Certification of compliance with this Agreement and the Prime Agreement.

3.5 Indirect costs are reimbursable only if the Subrecipient has an approved Indirect Cost Allocation Plan or Indirect Cost Rate Proposal per 2 CFR Part 200 and Chapter 5 of the Local Assistance Procedures Manual.

3.6 The City shall reimburse the Subrecipient for allowable costs within thirty (30) days of approval, subject to the City’s receipt of corresponding reimbursement from Caltrans. The Subrecipient must have paid for costs before claiming reimbursement.

3.7 All costs must be incurred after the City’s issuance of a Notice to Proceed and before the end of the Term.

### **4. TERM AND PERIOD OF PERFORMANCE**

4.1 This Agreement shall become effective on the Effective Date or upon the City’s receipt of a Notice to Proceed from Caltrans under the Prime Agreement, whichever occurs later. The term of this Agreement (“Term”) shall continue in full force and effect until June 30, 2028, unless earlier terminated in accordance with the provisions of Section 7 (Termination) herein or upon the expiration or termination of the Prime Agreement, whichever occurs first. Notwithstanding the foregoing, the Subrecipient’s obligations regarding record retention, audits, indemnification, re-payment of unallowable costs, and any other provisions that by their nature survive termination shall remain in effect beyond the expiration or termination of this Agreement,

as specified in the applicable sections hereof and in the Prime Agreement. The Subrecipient shall commence performance of the Services promptly upon the Effective Date and shall complete all Services in a timely manner consistent with the Project timeline set forth in Attachment II to the Prime Agreement. Time is of the essence in the performance of this Agreement.

4.2 The Subrecipient shall attend a kickoff meeting with the City within one week of the Notice to Proceed.

## **5. PASS-THROUGH OBLIGATIONS AND COMPLIANCE**

5.1 Compliance with Laws, Regulations, and Policies. The Subrecipient shall perform all Services under this Agreement in accordance with California Senate Bill No. 1 (SB-1) (Chapter 5, Statutes of 2017), also known as the Road Repair and Accountability Act of 2017, including, but not limited to, Government Code Section 14460(a)(1), as well as all applicable Federal, State, and Local laws, regulations, and ordinances, all applicable Caltrans policies and procedures, and all applicable Caltrans published manuals, including, but not limited to, the applicable Grant Application Guide (Attachment III to the Prime Agreement). In case of conflict between any applicable Federal, State, and Local laws, regulations, and ordinances, and/or any applicable policies, procedures, or published manuals of either Caltrans or the City, the order of precedence of the applicability of same to this Agreement shall be established in this order: 1) Federal laws and regulations; 2) California laws and regulations; 3) Caltrans policies, procedures, and published manuals; 4) Local ordinances; and 5) City policies, procedures, and published manuals.

5.2 Payment and Invoicing. The Subrecipient shall establish and maintain an accounting system and records that properly accumulate and segregate incurred Project costs by line. The accounting system of the Subrecipient shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. Reimbursement of the Subrecipient's expenditures will be authorized only for those allowable costs actually incurred by the Subrecipient in accordance with the provisions of this Agreement and the Prime Agreement and in the performance of the Services. The Subrecipient must not only have incurred the expenditures on or after the start date and the issuance of the Notice to Proceed letter for this Agreement and before the Expiration Date but must have also paid for those costs to claim any reimbursement. Travel expenses and per diem rates are not to exceed the rate specified by the State of California Department of Human Resources for similar employees (i.e., non-represented employees) unless written verification is supplied that government hotel rates were not then commercially available to the Subrecipient at the time and location required as specified in the California Department of Transportation's Travel Guide Exception Process. The Subrecipient shall submit invoices to the City at least quarterly, but no more frequently than monthly, in arrears for completion of milestones in accordance with the Project Cost and Schedule in Attachment II to the Prime Agreement to the satisfaction of the City. Invoices shall reference this Agreement Number and shall be signed and submitted to the City. One-time lump sum invoices for the Grant Amount are not allowed. Invoices shall include the following information: 1) Names of the Subrecipient personnel performing work; 2) Dates and times of Project Work; 3) Locations of Project Work; 4) Itemized costs as set forth in Attachment II to the Prime Agreement, including identification of each employee who provided services during the period of the invoice, the number of hours and hourly rates for each employee, authorized travel expenses with receipts, receipts for authorized

materials or supplies, and contractor, sub-recipient, and subcontractor invoices. Incomplete or inaccurate invoices shall be returned to the Subrecipient unapproved for correction. Failure to submit invoices on a timely basis may be grounds for termination of this Agreement for material breach per Section 7. The Agreement Expiration Date refers to the last date for the Subrecipient to incur valid Project costs or credits and is the date the Agreement expires. The Subrecipient has 60 days after that Expiration Date to make final allowable payments to Project contractors or vendors and submit the Project's Final Product(s) as defined in Attachment II to the Prime Agreement and a final accurate invoice to the City for reimbursement for allowable Project costs. Any unexpended Project funds not invoiced by the 60th day will be reverted and will no longer be accessible to reimburse late Project invoices.

5.3 Cost Principles. The Subrecipient agrees to comply with Title 2, Code of Federal Regulations (CFR), Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Subrecipient agrees that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual Project costs and (b) the Parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Subrecipient shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards to the extent applicable. Prior to the Subrecipient seeking reimbursement of indirect costs, the Subrecipient must have identified the estimated indirect cost rate in Attachment II to the Prime Agreement, prepare and submit annually to the City for review and approval an indirect cost rate proposal and a central service cost allocation plan (if any) in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Chapter 5 of the Local Assistance Procedures Manual. The Subrecipient agrees and shall require that all its agreements with consultants and sub-recipients contain provisions requiring adherence to this section in its entirety.

5.4 Repayment of Unallowable Costs. Any Project costs for which the Subrecipient has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, and/or Part 48, Chapter 1, Part 31, are subject to repayment by the Subrecipient to the City. Should the Subrecipient fail to reimburse moneys due the City within thirty (30) days of discovery or demand, or within such other period as may be agreed in writing between the parties hereto, the City is authorized to intercept and withhold future payments due the Subrecipient from the City or any third-party source, including, but not limited to, the State Treasurer, the State Controller or any other fund source.

5.5 Americans with Disabilities Act. By signing this Agreement, the Subrecipient assures the City that in the course of performing Project Work, it will fully comply with the applicable provisions of the Americans with Disabilities Act (ADA) of 1990, as amended, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 USC Section 12101 et seq.).

5.6 Indemnification. Neither the City, Caltrans, nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by the Subrecipient, its officers, employees, agents, contractors, subrecipients, or

subcontractors, under or in connection with any work, authority, or jurisdiction conferred upon the Subrecipient under this Agreement. It is understood and agreed that the Subrecipient shall fully defend, indemnify, and save harmless the City, Caltrans, and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by the Subrecipient, its officers, employees, agents, contractors, subrecipients, or subcontractors under this Agreement.

5.7 Nondiscrimination Clause. During the performance of this Agreement, the Subrecipient shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. The Subrecipient shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. The Subrecipient shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code Sections 12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., Tit. 2, Sections 11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code Sections 11135-11139.5), and the regulations or standards adopted by the City or Caltrans to implement such article. The Subrecipient shall permit access by representatives of the Department of Fair Employment and Housing, the City, and Caltrans upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department, the City, or Caltrans shall require to ascertain compliance with this clause. The Subrecipient shall give written notice of its obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Subrecipient shall include the nondiscrimination and compliance provisions of this clause in all agreements with its contractors and subcontractors (preapproved by City), and shall include a requirement in all agreements with all of same that each of them in turn include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts they enter into to perform work under this Agreement.

5.8 Retention of Records/Audits. The Subrecipient agrees to comply with Title 2, Code of Federal Regulations (CFR), Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. All accounting records and other supporting papers of the Subrecipient, its contractors, subcontractors, and sub-recipients connected with Project performance under this Agreement shall be maintained for a minimum of three (3) years from the date of final payment to the Subrecipient and shall be held open to inspection, copying, and audit by representatives of the City, Caltrans, the California State Auditor, and auditors representing the Federal government. Copies thereof will be furnished by the Subrecipient, its contractors, its subcontractors, and sub-recipients upon receipt of any request made by the City, Caltrans, or its agents. In conducting an audit of the costs and match credits claimed under this Agreement, the City and Caltrans will rely to the maximum extent possible on any prior audit of the Subrecipient pursuant to the provisions of State and City law. In the absence of such an audit, any acceptable

audit work performed by the Subrecipient's external and internal auditors may be relied upon and used by the City and Caltrans when planning and conducting additional audits. For the purpose of determining compliance with applicable State and City law in connection with the performance of the Subrecipient's contracts with third parties pursuant to Government Code Section 8546.7, the Subrecipient, the Subrecipient's sub-recipients, contractors, subcontractors, the City, and Caltrans, shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire Project period and for three (3) years from the date of final payment to the Subrecipient under this Agreement. The City, Caltrans, the California State Auditor, or any duly authorized representative of the City, Caltrans, or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent to a Project for audits, examinations, excerpts, and transactions, and the Subrecipient shall furnish copies thereof if requested. The Subrecipient, its sub-recipients, contractors, and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the City or Caltrans, for the purpose of any investigation to ascertain compliance with this Agreement. Additionally, all grants may be subject to a pre-award audit prior to execution of this Agreement to ensure the Subrecipient has an adequate financial management system in place to accumulate and segregate reasonable, allowable, and allocable costs. Any contract with a contractor, subcontractor, or sub-recipient entered into as a result of this Agreement shall contain all the provisions of this article.

5.9 Drug-Free Workplace Certification. By signing this Agreement, the Subrecipient hereby certifies under penalty of perjury under the laws of California that the Subrecipient will comply with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code Sections 8350 et seq.) and will provide a Drug-Free workplace by doing all the following: a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a)(1); b) Establish a Drug-Free Awareness Program as required by Government Code Section 8355(a)(2) to inform employees about all the following: 1) The dangers of drug abuse in the workplace; 2) The person's or organization's policy of maintaining a Drug-Free workplace; 3) Any available counseling, rehabilitation, and employee assistance programs; and 4) Penalties that may be imposed upon employees for drug abuse violations; c) Provide, as required by Government Code Section 8355(a)(3), that every employee who works on the proposed contract or grant: 1) Will receive a copy of the company's Drug-Free Policy Statement; and 2) Will agree to abide by the terms of the company's statement as a condition of employment on the contract or grant; d) Failure to comply with these requirements may result in suspension of payments under this Agreement or termination of this Agreement or both, and the Subrecipient may be ineligible for the award of any future State contracts if the City or Caltrans determines that any of the following has occurred: (1) the Subrecipient has made a false certification or, (2) the Subrecipient violates the certification by failing to carry out the requirements as noted above.

5.10 State-Owned Data. The Subrecipient agrees to comply with the following requirements to ensure the preservation, security, and integrity of State-owned data on portable

computing devices and portable electronic storage media: 1) Encrypt all State-owned data stored on portable computing devices and portable electronic storage media using government-certified Advanced Encryption Standard (AES) cipher algorithm with a 256-bit or 128-bit encryption key to protect Caltrans data stored on every sector of a hard drive, including temp files, cached data, hibernation files, and even unused disk space; 2) Data encryption shall use cryptographic technology that has been tested and approved against exacting standards, such as FIPS 140-2 Security Requirements for Cryptographic Modules; 3) Encrypt, as described above, all State-owned data transmitted from one computing device or storage medium to another; 4) Maintain confidentiality of all State-owned data by limiting data sharing to those individuals contracted to provide services on behalf of the State, and limit use of State information assets for State purposes only; 5) Install and maintain current anti-virus software, security patches, and upgrades on all computing devices used during the course of the Agreement; 6) Notify the City immediately of any actual or attempted violations of security of State-owned data, including lost or stolen computing devices, files, or portable electronic storage media containing State-owned data; 7) Advise the owner of the State-owned data, the City Manager, and the City Chief Information Officer of vulnerabilities that may present a threat to the security of State-owned data and of specific means of protecting that State-owned data. The Subrecipient agrees to use the State-owned data only for State purposes under this Agreement. The Subrecipient agrees to not transfer State-owned data to any computing system, mobile device, or desktop computer without first establishing the specifications for information integrity and security as established for the original data file(s) (State Administrative Manual (SAM) Section 5335.1).

5.11 Assumption of Risk and Indemnification Regarding Exposure to Environmental Health Hazards. In addition to, and not a limitation of, the Subrecipient's indemnification obligations contained elsewhere in this Agreement, the Subrecipient hereby assumes all risks of the consequences of exposure of the Subrecipient's employees, agents, subrecipients, contractors, and subcontractors, subcontractors' employees, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, to any and all environmental health hazards, local and otherwise, in connection with the performance of this Agreement. Such hazards include, but are not limited to, bodily injury and/or death resulting in whole or in part from exposure to infectious agents and/or pathogens of any type, kind or origin. The Subrecipient also agrees to take all appropriate safety precautions to prevent any such exposure to the Subrecipient's employees, agents, subrecipients, contractors, and subcontractors, subcontractors' employees, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement. The Subrecipient also agrees to indemnify and hold harmless the City, Caltrans, the State of California, and each and all their officers, agents and employees, from any and all claims and/or losses accruing or resulting from such exposure. Except as provided by law, the Subrecipient also agrees that the provisions of this paragraph shall apply regardless of the existence or degree of negligence or fault on the part of the City, Caltrans, the State of California, and/or any of their officers, agents and/or employees.

5.12 Mandatory Organic Waste Recycling. It is understood and agreed that pursuant to Public Resources Code Sections 42649.8 et seq., if the Subrecipient generates two (2) cubic yards or more of organic waste or commercial solid waste per week, the Subrecipient shall arrange for organic waste or commercial waste recycling services that separate/source organic waste for organic waste recycling. The Subrecipient shall provide proof of compliance, i.e., organic waste

recycling services or commercial waste recycling services that separate/source organic waste recycling, upon request from the City.

5.13 ADA Compliance. All entities that provide electronic or information technology or related services that will be posted online by the City or Caltrans must be in compliance with Government Code Sections 7405 and 11135 and the Web Content Accessibility Guidelines (WCAG) 2.0 or subsequent version, published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success. All entities will respond to and resolve any complaints/deficiencies regarding accessibility brought to their attention.

5.14 Executive Order N-6-22 – Russia Sanctions. On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law unless the contract has been Federalized (i.e., there is federal participation in any phase). The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the City or the State determine the Subrecipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The City shall provide the Subrecipient advance written notice of such termination, allowing the Subrecipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the City.

5.15 The Subrecipient shall ensure that its contractors and subcontractors comply with all pass-through obligations set forth in this Section 5.

5.16 The Subrecipient shall provide quarterly progress reports to the City, detailing progress, expenditures, and any issues, to enable the City’s reporting to Caltrans under Section III, Paragraph 17 of the Prime Agreement.

## 6. INSURANCE

6.1 Time for Compliance. Subrecipient shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Subrecipient shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Agreement for cause.

6.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, the Subrecipient, in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Subrecipient agrees to amend, supplement or endorse the policies to do so.

(a) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office “occurrence” form CG 00

01, or the exact equivalent, with limits of not less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); (3) products/completed operations liability; or (4) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(b) **Automobile Liability Insurance:** Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 00 01 covering “Any Auto” (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than \$1,000,000 combined limit for each occurrence.

(c) **Workers’ Compensation:** Workers’ Compensation Insurance, as required by the State of California and Employer’s Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

6.3 **Professional Liability (Errors & Omissions):** Professional Liability insurance or Errors & Omissions insurance appropriate to Subrecipient’s profession with limits of not less than \$1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least five (5) years from termination or expiration of this Agreement.

6.4 **Insurance Endorsements.** Required insurance policies shall contain the following provisions, or Subrecipient shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

(a) **Commercial General Liability:** (1) **Additional Insured:** The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to “ongoing operations”; (2) exclude “contractual liability”; (3) restrict coverage to “sole” liability of Subrecipient; or (4) contain any other exclusions contrary to the terms or purposes of this Agreement. For all policies of Commercial General Liability insurance, Subrecipient shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement. (2) **Cancellation:** Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(b) **Automobile Liability.** (1) **Cancellation:** Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(c) Professional Liability (Errors & Omissions): 1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Contractual Liability Exclusion Deleted: This insurance shall include contractual liability applicable to this Agreement. The policy must “pay on behalf of” the insured and include a provision establishing the insurer’s duty to defend.

(d) Workers’ Compensation: (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium. (2) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees, agents, and volunteers.

6.5 Primary and Non-Contributing Insurance. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

6.6 Waiver of Subrogation. All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Subrecipient or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Subrecipient hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

6.7 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

6.8 Evidence of Insurance. The Subrecipient, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the City, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Subrecipient shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

6.9 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

6.10 Enforcement of Agreement Provisions (non estoppel). Subrecipient acknowledges and agrees that actual or alleged failure on the part of the City to inform Subrecipient of non-compliance with any requirement imposes no additional obligation on the City nor does it waive any rights hereunder.

6.11 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

6.12 Additional Insurance Provisions

(a) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Subrecipient, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Subrecipient pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(b) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Subrecipient or City will withhold amounts sufficient to pay premium from Subrecipient payments. In the alternative, City may cancel this Agreement.

(c) The City may require the Subrecipient to provide complete copies of all insurance policies in effect for the duration of the Project.

(d) Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

(e) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Subrecipient from liability in excess of such coverage, nor shall it limit the Subrecipient's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

(f) Subrecipient shall report to the City, in addition to Subrecipient's insurer, any and all insurance claims submitted by Subrecipient in connection with the Services under this Agreement.

6.13 Insurance for Subconsultants. Subrecipient shall include all subconsultants engaged in any work for Subrecipient relating to this Agreement as additional insureds under the Subrecipient's policies, or the Subrecipient shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Subrecipient's subconsultants performing work relating to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Subrecipient shall not allow any subconsultant to commence work on any subcontract relating to this Agreement until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this Agreement, to the extent applicable. The Subrecipient shall provide satisfactory evidence of compliance with this section upon request of the City.

## **7. TERMINATION**

7.1 City reserves the right to terminate this Agreement for any or no reason upon written notice to Subrecipient at least 30 days in advance of the effective date of such termination in the event City determines (at its sole discretion) that Subrecipient failed to proceed or continue with Project Work in accordance with the terms of this Agreement. In the event of termination for convenience, City will reimburse Subrecipient for all allowable, authorized, and non-cancelled costs up to the date of termination.

7.2 This Agreement may be terminated by either party for any or no reason by giving written notice to the other Party at least thirty (30) days in advance of the effective date of such termination. In the event of termination for convenience, City will reimburse Subrecipient for all allowable, authorized, and non-cancelled costs up to the date of termination.

7.3 Subrecipient has sixty (60) days after the Termination Date to submit accurate invoices to City to make final allowable payments for Project costs in accordance with the terms of this Agreement. Failure to submit accurate invoices within this period of time shall result in a waiver by Subrecipient of its right to reimbursement of expended costs.

## **8. BUDGET CONTINGENCY CLAUSE**

8.1 It is mutually agreed that if Caltrans is unable to appropriate or allocate funds during the current year and/or any subsequent years covered under this Agreement and are not able to provide sufficient funds for the Project, this Agreement shall be of no further force and effect. In this event, City shall have no liability to pay any funds whatsoever to Subrecipient or to furnish any other consideration under this Agreement and Subrecipient shall not be obligated to perform any provisions of this Agreement.

8.2 If funding to Caltrans for any fiscal year is reduced or deleted for purposes of this Project, City shall have the option to either terminate this Agreement with no liability occurring to City or offer an Agreement Amendment to Subrecipient to reflect reduced amount.

## **9. CHANGES/AMENDMENTS**

This Agreement may only be amended or modified during the Term of the by mutual written agreement of the Parties. Any proposed modification to this Agreement that requires a formal amendment must be submitted by Subrecipient to City no less than 120 days prior to the expiration of the Term.

#### **10. DISPUTE RESOLUTION**

Disputes shall be resolved per Section III, Paragraph 24 of the Prime Agreement, including good faith negotiations and alternative dispute resolution before litigation.

#### **11. INDEPENDENT CONTRACTOR**

The Subrecipient is an independent contractor, not an employee or agent of the City.

#### **12. NOTICES**

The City's Project Manager for the Project is Kendra Reif. The City's Financial Manager for the Project is Ruben Ramirez. The Subrecipient's Contract Manager is Bernadette Austin, or her designee following notice to the City.

All notices herein provided to be given, or which may be given, by either Party to the other, shall be deemed to have been fully given when made in writing and received by the Parties at their respective addresses:

**City of Coachella**

Attention: Kendra Reif, Project Manager  
53990 Enterprise Way  
Coachella, CA 92236  
Phone: (760) 398-3502  
Email: kreif@coachella.org

**Raices Cultura**

Attention: Marnie Navarro  
1536 7<sup>th</sup> Street  
Coachella, CA 92236  
Email: marnie.navarro@raicesdelvalle.org

#### **13. COOPERATION; FURTHER ACTS**

The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

#### **14. ENTIRE AGREEMENT**

This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

**15. ATTORNEYS' FEES**

If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

**16. GOVERNING LAW**

This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Subrecipient must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Subrecipient. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Subrecipient shall be barred from bringing and maintaining a valid lawsuit against the City.

**17. TIME OF ESSENCE**

Time is of the essence for each and every provision of this Agreement.

**18. CITY'S RIGHT TO EMPLOY OTHER SUBRECIPIENTS.**

City reserves right to employ other subrecipients in connection with this Project.

**19. SUCCESSORS AND ASSIGNS**

This Agreement shall be binding on the successors and assigns of the parties.

**20. ASSIGNMENT OR TRANSFER**

Subrecipient shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subrecipient shall not subcontract any portion of the Services required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

**21. CONSTRUCTION; REFERENCES; CAPTIONS**

Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall

be deemed calendar days and not work days. All references to Subrecipient include all personnel, employees, agents, and subconsultants of Subrecipient, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

**22. WAIVER**

No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

**23. NO THIRD-PARTY BENEFICIARIES**

There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

**24. INVALIDITY; SEVERABILITY**

If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

**25. PROHIBITED INTERESTS**

Subrecipient warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Subrecipient, to solicit or secure this Agreement. Subrecipient warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Subrecipient, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Subrecipient further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

**26. AUTHORITY TO ENTER AGREEMENT**

Subrecipient has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

**27. COUNTERPARTS**

This Agreement may be signed in counterparts, each of which shall constitute an original.

**28. SURVIVAL**

All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first above written.

**CITY OF COACHELLA**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**RAICES CULTURA**

By: \_\_\_\_\_

Printed Name: Marnie Navarro

Title: Executive Director

Date: \_\_\_\_\_

Agreement No. \_\_\_\_\_

**EXHIBIT "1"**  
**PRIME AGREEMENT**