



AGREEMENT

BETWEEN

COUNTY OF SAN MATEO

AND

MOSS BEACH HOMES, INC.

For the period of
August 20, 2002 through June 30, 2005

Contact Person: Patricia Crawford
Human Services Manager
(650) 599-3887

Agreement with Moss Beach Homes, Inc.

For

The administration of a "Change of Placement Program" for dependent children at the Tower House Receiving Home

THIS AGREEMENT, entered into this _____ day of _____, 2002, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and Moss Beach Homes, Inc., hereinafter called "Contractor";

WITNESSETH:

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department/Agency thereof; and

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of performing the professional services of administering a Change of Placement Program for dependent children at the County's Tower House Receiving Home located in San Mateo;

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

The following exhibits are attached hereto and incorporated by reference therein.

1. Exhibits

- Exhibit A: Program Description
- Exhibit B: Responsibilities
- Exhibit C: Budget and Payment Schedule
- Attachment I: Budget Table
- Exhibit D: Program Monitoring
- Exhibit E: Equal Benefits Compliance Declaration Form
- Exhibit F: Section 504 - Assurance of Compliance
- Exhibit G: Fingerprinting Certificate Form

Exhibit H: Description of Premises

Exhibit I: GE Lease

2. Definition(s)

A. A Change of Placement Program: A "Change of Placement Program" as defined in this Agreement is program that will provide short-term residence for children who are Dependent Children of the San Mateo County Juvenile Court and are in transition, between foster home placements.

3. Services to be Performed

In consideration of the payments hereinafter set forth in Exhibit C, attached hereto and incorporated by reference herein, Contractor shall perform services as described in Exhibit A and Exhibit B, attached hereto and incorporated by reference herein.

4. Payments

A. Maximum Amount for Year One of the Three Year Term. In consideration of Contractor's performance of the services described in Exhibit A and Exhibit B, the amount that the County shall be obligated to pay for services rendered under this Agreement shall not exceed \$171,597 for the first year fiscal year. The payment for the second and third year of the term will be negotiated by the parties and reflected in an amendment of this agreement.

B. Rate of Payment. The rate and terms of payment shall for one year be as specified in Exhibit C. Any rate increase is subject to the approval of the Director of Human Services or her authorized representative, and shall not be binding on County unless so approved in writing. In no event may the rates established in Exhibit C be increased to the extent that the maximum County obligation shall not exceed the total specified in paragraph 4A above. Each payment shall be conditioned on the performance of the services described in Exhibit A to the full satisfaction of the Director of Human Services or her representative.

C. Time Limit for Submitting Invoices. Contractor shall submit an invoice for services to County for payment in accordance with the provisions of Exhibit C. County shall not be obligated to pay Contractor for the services covered by any invoice if Contractor presents the invoice to County more than one-hundred eighty (180) days after the date Contractor renders the services, or more than ninety (90) days after this Agreement terminates, whichever is earlier.

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D. Availability of Funds. Payment for all services provided pursuant to this contract are contingent upon the availability of County, State, and Federal funds. In the event the State or Federal government does not appropriate the necessary funds as part of either or both of their budgets, the County shall not be liable for any payment whatsoever; including, but not limited to, payments that are based on County funds. The County may terminate the agreement for unavailability of Federal, State or County funds.

5. Relationship of Parties

It is expressly understood that this is an agreement between two (2) independent contractors and that no agency, employee, partnership, joint venture or other relationship is established by this Agreement. The intent by both County and Contractor is to create an independent contractor relationship. Contractor expressly acknowledges and accepts his/her tax status as, and the tax consequences, of an independent contractor. Further, as an independent contractor, Contractor expressly acknowledges and accepts that he/she has no rights, benefits, privileges and/or claims in any form whatsoever under, from through and/or pursuant to the San Mateo County Civil Services Rules.

6. Hold Harmless

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind and description, brought for, on account of: (A) injuries to or death of any person, including Contractor, or (B) damage to any property of any kind whatsoever and to whomever belonging; or (C) any other loss or cost, including but not limited to, the concurrent active or passive negligence of County, its officers, agents, employees, or servants resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which the County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

7. Insurance

A. The Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this paragraph has been obtained and such insurance has been approved by the Director of Human Services and Contractor shall use diligence to obtain such issuance and to obtain such approval. The Contractor shall furnish the Human Services Agency with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending the Contractor's coverage to include the contractual liability assumed by the Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to

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the Human Services Agency of any pending change in the limits of liability or of any cancellation or modification of the policy.

(1) Worker's Compensation and Employer's Liability

Insurance The Contractor shall have in effect during the entire life of this Agreement Workers' Compensation and Employer's Liability Insurance providing full statutory coverage. In signing this Agreement, the Contractor makes the following certification, required by Section 1861 of the California Labor Code:

I am aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the work of this Agreement.

(2) Liability Insurance.

The Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him/her while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from contractor's operations under this Agreement, whether such operations be by himself/herself or by any sub-contractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall be not less than the amount specified below.

Such insurance shall include:

- | | | |
|-----|--|---------------------|
| (a) | Comprehensive General Liability
(to include \$50,000 in Fire legal liability) | <u>\$ 1,000,000</u> |
| (b) | Motor Vehicle Liability Insurance | <u>\$ 1,000,000</u> |
| (c) | Professional Liability | <u>\$ 1,000,000</u> |

After three (3) years from the date this Agreement is first executed, the County may, at its sole discretion, require an increase in the amount of liability insurance to the level then customary in similar County agreements by giving sixty (60) days notice to Contractor. County and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to the County, its officers, agents, employees and servants shall be primary insurance to the full limits of liability of the policy, and that if the County or its officers and employees have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

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In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, the County of San Mateo at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement.

8. Non-Discrimination

Contractor shall comply with the non-discrimination requirements described below:

A. Section 504 of the Rehabilitation Act of 1973.

(1) Pursuant to Section 504 (Public Law 93-112), the Contractor agrees that no otherwise qualified disabled individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this contract.

(2) Compliance of Section 504 of the Rehabilitation Act of 1973, as amended, requires that all benefits, aids and services are made available to disabled persons on an equivalent basis with those received by non-disabled persons. Contractor shall agree to be in compliance with Section 504 requirements by 1) signing the Letter of Assurance, attached and incorporated herein as Exhibit F, or 2) by developing a plan for compliance to be submitted to the Section 504 Coordinator, Department of Health Services, as soon as possible but not later than by the end of the current Fiscal Year.

B. Non-Discrimination - General. No person shall, on the grounds of age (over 40), ancestry, creed, color, disability, marital status, medical conditions, national origin, political or religious affiliation, race, sex, sexual orientation or any non-job-related criteria be excluded from participation in, be denied the benefits, or be subjected to discrimination under this Agreement.

C. Non-Discrimination - Employment. Contractor shall ensure equal employment opportunity based on objective standards of recruitment, selection, promotion, classification, compensation, performance evaluations, and management relations, for all employees under this Agreement. Contractor's affirmative action policies shall be made available to County upon request.

D. Equal Benefits, With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.

9. Violation of the Non-Discrimination provisions

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to:

- i) termination of this Agreement;
- ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
- iii) liquidated damages of \$2,500 per violation;
- iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to:

- i) examine Contractor's employment records with respect to compliance with this paragraph;
- ii) set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other Contractor between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complaint, a copy of such complaint and a description of the circumstance. Contractor shall provide County with a copy of their response to the Complaint when filed.

10. Child Abuse Prevention and Reporting.

Contractor agrees to ensure that all known or suspected instances of child abuse or neglect are reported to a child protective agency. Contractor agrees to fully comply with the Child Abuse and Neglect Reporting Act, Cal Penal Code §11164 et seq. Contractor will ensure that all known or suspected instances of child abuse or neglect are reported to a an agency (police department, sheriff's department, county probation department if designated by the county to receive mandated reports, or the county welfare department) described in Penal Code Section 11165.9. This responsibility shall include:

A. A requirement that all employees, consultants, or agents performing services under this contract who are required by the Penal Code to report child abuse or neglect, sign a statement that he or she knows of the reporting requirement and will comply with it.

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B. Establishing procedures to ensure reporting even when employees, consultants, or agents who are not required to report child abuse under the Penal gain knowledge of, or reasonably suspect that a child has been a victim of abuse or neglect.

C. Contractor agrees that its employees, subcontractors, assignees, volunteers, and any other persons who provide services under this contract and who will have supervisory or disciplinary power over a minor or any person under his or her care (Penal 11105.3) will be fingerprinted in order to determine whether they have a criminal history which would compromise the safety of children with whom Contractor's employees, subcontractors, assignees or volunteers have contact. All fingerprinting services will be at County's sole discretion and Contractor's sole expense.

11. Assignments and Subcontracts

A. Without the written consent of the Director of Human Services or her designee, this Agreement is not assignable in whole or in part. Any assignment by Contractor without the written consent of the Director of Human Services or her designee violates this Agreement and shall automatically terminate this Agreement.

B. Contractor shall not employ subcontractors or consultants to carry out the responsibilities undertaken pursuant to this contract without the written consent of the Director of Human Services or her designee.

C. All assignees, subcontractors, or consultants approved by the Director of Human Services or her designee shall be subject to the same terms and conditions applicable to Contractor under this agreement, and Contractor shall be liable for the assignee's, subcontractor's or consultant's acts and/or omissions.

D. All agreements between Contractor and subcontractor and/or assignee for services pursuant to this Agreement shall be in writing and shall be provided to County.

12. Records

A. Contractor agrees to provide to County, to any Federal or State department having monitoring or reviewing authority, to County's authorized representatives and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine and audit all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed.

B. Contractor shall maintain and preserve all records relating to this Agreement in its possession of any third party performing work related to this Agreement for a period of three (3) years from the termination date of this Agreement, or until audit findings are resolved, whichever is greater.

13. Compliance with Applicable Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County and Municipal laws, ordinances, regulations, including but not limited to appropriate licensure, certification regulations confidentiality requirements and applicable quality assurance regulations.

14. Monitoring

All services performed and payments made pursuant to this agreement shall be monitored according to the protocols set forth in Exhibit D, attached hereto and incorporated by reference herein.

15. Alteration of Agreement

This Agreement is entire and contains all the terms and conditions agreed upon by the parties. No alteration or variation shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement shall be binding on the parties hereto.

16. Contractors' Use of County's Real Property

County will make available to Contractor certain real property described in Exhibit H and leased under terms outlined in Exhibit I and Contractor agrees to occupy and use said property in accordance with all terms, conditions and restrictions as detailed herein and in Exhibit I.

16.1 Base Fee. Throughout the Term beginning on the Date of Occupancy, Contractor shall pay to County as good and valuable consideration ONE DOLLAR (\$1) per year for use of described Premises. Said charges shall be automatically deducted from Contractor's first monthly payment as provided under the Agreement.

16.2 Permitted Use. Contractor shall use and continuously occupy the Premises during the Term solely for the purpose set forth in the Agreement as necessary to meet its obligations under the Agreement and for no other purpose.

16.3 No Unlawful Uses, Nuisances or Waste. Without limiting the foregoing, Contractor shall not use, occupy or permit the use or occupancy of any of the Premises in any unlawful manner or for any illegal purpose, or permit any offensive, noisy or hazardous use or any waste on or about the Premises. Contractor shall take all precautions to eliminate any nuisances or hazards relating to its activities on or about the Premises. Contractor shall not conduct any business, place any sales display, or advertise in any manner in areas outside the Premises or on or about the Property. Contractor shall at the termination of this Agreement surrender the Premises to County in the same condition it was received, normal wear and tear excepted.

16.4 Assignment and Subletting. Contractor shall not directly or indirectly (including, without limitation, by merger, acquisition or other transfer of any controlling interest in Contractor), voluntarily or by operation of law, sell, assign, encumber, pledge or otherwise transfer (collectively, "Assignment") any part of its interest in or rights with respect to the Premises, or permit any portion of the Premises to be occupied by anyone other than itself, or sublet or license any portion of the Premises (collectively, "Subletting"), without County's prior written consent in each instance.

16.5 Contractor's Alterations. Contractor shall not make or permit any alterations to the Premises or to the heating, ventilating, air conditioning, plumbing, electrical, fire protection, life safety, security and other mechanical, electrical, communications systems of the Premises ("Building Systems"), and shall not make or permit any alterations, installations, additions or improvements, structural or otherwise (collectively, "Alterations"), in, to or about the Premises, without County's prior written consent in each instance. All Alterations shall be done at Contractor's expense in accordance with plans and specifications approved by County, only by duly licensed and bonded contractors or mechanics approved by County and subject to any conditions that County may reasonably impose.

16.6 County's Repairs. County shall repair and maintain the structural portions of the Premises, including the Building Systems and the common areas; provided, however, Contractor shall reimburse County, per terms of Agreement, for any damage, excluding normal wear and tear, caused by any act or omission of Contractor, its Agents or Invitees. For the purpose of making any such repairs, County may use structures in the Premises where reasonably required by the character of the work to be performed, provided that such work shall not block the main entrance to the Parking Lot or Building nor unreasonably interfere with Contractor's business. Contractor waives any claim for damages for any injury or inconvenience to or interference with Contractor's business, any loss of occupancy or quiet enjoyment of the Premises or any other loss occasioned thereby.

16.7 Contractor's Repairs. Contractor shall maintain, at its sole expense, the Premises (including, without limitation, the floors, interior plumbing, electrical wiring, fixtures and equipment) in good repair and working order and in a clean, secure, safe and sanitary condition. Contractor shall promptly make all repairs and replacements: (a) at its

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sole expense, (b) through the County per the terms of the Agreement or by licensed contractors or qualified mechanics approved by County, (c) so that the same shall be at least equal in quality, value and utility to the original work or installation, (d) in a manner and using equipment and materials that will not interfere with or impair the operations, use or occupation of the Premises or the Building Systems, and (e) in accordance with all applicable laws, rules and regulations. Contractor hereby waives all rights to make repairs at County's expense under Sections 1941 and 1942 of the California Civil Code or under any similar law, statute or ordinance now or hereafter in effect.

16.8 Utilities and Services. County shall provide basic Building utilities and services including gas, heat, light, water, sewer, and power and Contractor shall pay for cable television service. Contractor must insure that usage of utilities and services If at any time during the Term County has reason to believe that Contractor may be using any utility or service in excess of a reasonable amount, County shall have the right to install a separate meter in the Premises or to take other appropriate steps to measure the amount of utility or service used in the Premises, and the cost of such meter and all corrective measures, and the installation and maintenance thereof, shall be paid for by County.

16.9 Taxes, Assessments, Licenses, Permit Fees and Liens.

A. (1) Contractor recognizes and understands that this Agreement may create a possessory interest subject to property taxation and that Contractor may be subject to the payment of property taxes levied on such interest. (2) Contractor agrees to pay possessory interest taxes, that may be lawfully assessed on the possessory interest hereby created and to pay all other taxes, excises, licenses, permit charges and assessments based on Contractor's usage of the Premises that may be imposed upon Contractor by law, all of which shall be paid when the same become due and payable and before delinquency. (3) Contractor agrees not to allow or suffer a lien for any such taxes to be imposed upon the Premises or upon any equipment or property located thereon without promptly discharging the same, provided that Contractor, if so desiring, may have reasonable opportunity to contest the validity of the same.

B. Contractor shall pay any taxes or other impositions levied or assessed upon Contractor's Personal Property, at least ten (10) days prior to delinquency, and shall deliver satisfactory evidence of such payment to County upon request.

16.10 Waiver. The waiver by either party hereto or any breach of any term, covenant or condition contained herein shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach thereof. No failure by County to insist upon the strict performance of any obligation of Contractor under this Agreement or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, no acceptance of full or partial Base Fee during the continuance of any such breach, and no acceptance of the keys to or possession of the Premises prior to the expiration of the Term by any Agent of County, shall constitute

a waiver of such breach or of County's right to demand strict compliance with such term, covenant or condition or operate as a surrender of this License. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. Any consent by County hereunder shall not relieve Contractor of any obligation to secure the consent of County in any other or future instance under the terms of this License.

16.11 Compliance with Laws and Regulations. Any requirements relating to Contractor's use of the premises shall be the responsibility of Contractor. Contractor shall faithfully observe in the use of the Premises municipal, county, state and federal laws and regulations, provided that Contractor shall not under any circumstances be required to make major changes to the structure or to the utility systems in order to meet building, planning or zoning codes; any such changes shall be the sole responsibility of the County.

16.12 Surrender of Use of Real Property. Upon the Expiration Date or other termination of the Term of this agreement, Contractor shall immediately peaceably quit and surrender to County the Premises together with the any Improvements and all Alterations approved by County in good order and condition, except for normal wear and tear after Contractor's having made the last necessary repair required on its part under this agreement, and further except for any portion of the Premises condemned and any damage and destruction for which Contractor is not responsible hereunder. The Premises shall be surrendered free and clear of all liens and encumbrances other than liens and encumbrances existing as of the date of this Agreement and any other encumbrances created by County. Immediately before the Expiration Date or other termination of this Agreement, Contractor shall remove all Personal Property as provided in this agreement, and repair any damage resulting from the removal. Notwithstanding anything to the contrary in this Agreement, County can elect at any time prior to the Expiration Date or within thirty (30) days after termination of this Agreement, to require Contractor to remove, at Contractor's sole expense, all or part of any Improvements, Alterations or other improvements or equipment constructed or installed by or at the expense of Contractor. Contractor shall promptly remove such items and shall repair, at its expense, any damage to the Premises or the Building resulting from such removal. Contractor's obligations under this Section shall survive the Expiration Date or other termination of this License. Any items of Contractor's Personal Property remaining in the Premises after the Expiration Date or sooner termination of this Agreement may, at County's option, be deemed abandoned and disposed of in accordance with Section 1980 et seq. of the California Civil Code or in any other manner allowed by law.

16.13 Severability. If any provision of this agreement or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this License, or the application of such provision to persons, entities or

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circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

16.14 No Recording. Contractor shall not record this Agreement or any memorandum hereof in the public records.

17. Interpretation and Enforcement

A. Any notice, request, demand or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United States mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed:

1) In the case of County, to:

Patricia Crawford, Human Services Manager
San Mateo County
Human Services Agency
2500 Middlefield Road
Redwood City, CA 94063
(650) 599-3887

2) In the case of Contractor, to:

Vernon Brown, Executive CEO
Moss Beach Homes, Inc.
333 Gellert Blvd., Suite. 203
Daly City, CA 94015
(650) 758-0111

B. Controlling Law

The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation and performance of this Agreement shall be governed by the laws of the State of California.

18. Term of the Agreement

Subject to compliance with the terms and conditions of this Agreement for placement home services for dependent youth with Moss Beach Homes, the term of this Agreement shall be from August 20, 2002 through June 30, 2005. This Agreement may be terminated by Contractor, the Director of Human Services or her designee for either party's

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convenience and without cause at any time upon thirty (30) days' written notice to the other party.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: _____
Jerry Hill, President
Board of Supervisors, County of San Mateo

Date: _____

ATTEST:

Clerk of Said Board

Moss Beach Homes, Inc

Contractor - Print Name

Date: _____

Vernon Brown, CEO.

Name, Title - Print

Vernon Brown

Signature

Date: *7/16/02*

Tax ID # *94-2442955*

**Moss Beach Homes, Inc.
August 20, 2002 through June 30, 2005**

Program Description

Purpose

The purpose of the change of placement program operated by the Contractor is to provide a short-term residence for children who are Dependent Children of the San Mateo County Juvenile Court and are in transition, between foster home placements. These are mostly adolescents who have been in foster care, and have been unable to remain in the previous placement. Often times, this transition occurs due to behavioral difficulties that are disruptive to the placement ends. Many times the placements end suddenly, with insufficient notice to locate an alternative placement. As the County is the placing agency, most times this results in the County needing to provide care for the children during the period until another placement is located.

The Contractor's program assessment and treatment philosophy addresses the physical, emotional, social and cultural needs of at-risk ambulatory youth. The program will accept both male and female youth between the ages of 12 and 18 years. The program will accept all youth referred by San Mateo County Human Services Agency up to its capacity.

Many of the youth that will be accepted into the program may have a prior DSM axis diagnosis. They may have a history of learning disabilities, physical or sexual abuse, behavioral problems which may include predelinquent behavior, delinquent behavior, poor impulse control, depression, adjustment disorder, borderline disorder, oppositional disorder, school problems, chronic runaway, chronic placement failure, sexual acting out, behavior/conduct disorder, hyperactivity, substance abuse, self-destructiveness, and emotional disturbance.

Residents accepted into the program may also be characterized as physically handicapped (although not so as to interfere with their ambulatory status), epileptic, diabetic, and palsied. They may present particular treatment needs, e.g., being learning handicapped, emotionally disturbed, physically or sexually abused, or have chemical abuse histories, which may qualify them for specialized program services.

The Contractor will provide supervision, daily activities, mental health services, medical services and psychiatric services. The Contractor's staff will work closely with San Mateo County Children and Family Services staff to coordinate services, complete needs assessment and service plans, and prepare the youth for the next placement. The Contractor will provide bilingual services in Spanish, and be able to demonstrate their ability to provide culturally sensitive services to all residents.

These services may include but are not limited to group counseling, sexual perpetrators/victim groups, substance abuse education groups, and family reunification endeavors. In addition, necessary arrangements are made for medical, dental and eye examinations and treatment.

A range of educational, psychological, psychiatric service treatment, recreational and organized social experience is planned for program residents. The daily schedule provides a stable and consistent structure for activities to be conducted. The values of stability and consistency are extremely important to the population for whom this program is designed; they afford residents a consistent and reliable treatment milieu to address underdeveloped behavior and deficient social skills.

The anticipated length of placement for residents ranges from one to three months.

Goals

The goal of the Contractor is to provide a stable residential environment for youth that have had a disruption in their foster care living situation and are waiting for an alternative foster care placement. The placement Social Worker may utilize this time to assess the resident's situation, and search for a more appropriate placement.

First, the Contractor will seek to understand the multiple treatment needs of its population and their cultural context. It provides residents with immediate and long-term benefits. Among these are food, shelter, clothing, medical services, social, recreational opportunities and other needed services. To heighten cultural sensitivity and awareness to a resident's multi-cultural needs, staff receives multi-cultural training and may also participate in similar opportunities scheduled in the local community.

Second, the Contractor will enable young people who are placed in the program to assume increasing responsibility for mastering various behavioral tasks in order to acquire social and personal living skills. Childcare worker staff model appropriate behavior, provide consistent feedback to the residents regarding their daily interactions in a variety of environments e.g., home, school, community. Additionally, the program provides residents with activities intended to develop independent living skills. Activities may include resume writing, finding an apartment, seeking a compatible roommate, developing job interviewing skills, financial management, completing their age-appropriate education, obtaining their G.E.D. and visiting area businesses. Other community resources may be used, e.g., mentor programs, job placement services, and vocational training programs, as indicated in their Needs and Services Plan. Overall, these endeavors encourage residents to participate in their treatment program according to an achieved level of insight, education and capability.

Third, the Contractor will collaborate with placement workers and their respective agencies to consistently evaluate and directly respond to the presenting and ongoing treatment needs of youth in the Placement Program. The assigned County Social Worker will develop an

individualized Needs and Services Plan in cooperation with residents, their placement workers and parents, if available, and other individuals significant to the child's success. The program manager coordinates clinical services, e.g., individual and group therapy and any clinical consultation, when indicated. This cooperative endeavor can reduce rates of recidivism and future placement failure among this treatment population.

Fourth, the Contractor will seek, whenever possible, to reunite residents with their families. In the assessment phase, careful consideration is given the resources required to address family issues. In this context, a family may participate in structured opportunities that can renew confidence to be reunited with their child. This goal is facilitated by a family partnering with the Contractor to support their child's efforts to improve his life within the treatment program and their participation in scheduled events, e.g., parenting classes, to accomplish this end.

The staff of Moss Beach Homes, Inc. and San Mateo County Human Services are in the process of developing a detailed Program Statement as required by the State of California, Community Care Licensing as well as the State Rate Setting Bureau.

RESPONSIBILITIES
Moss Beach Homes, Inc.
August 20, 2002 through June 30, 2005

The Contractor's Responsibilities:

In operating the change of placement program for dependent children at the Tower House Receiving Home described in this Exhibit and in Exhibit A, the Contractor will:

1. Be allowed no more than a 6 month period to organize the Tower House Receiving Home and prepare for the start of services to the County.
2. Provide services to and house a maximum number of 6 residents at the start of service.
3. The County will evaluate the needs to increase the number of residents within a 6 month period after the start of service and can authorize the contractor to request Community Care Licensing and the Fire Marshal to increase the number of residents to a maximum number of eight at anytime during the course of this Agreement.
4. Be responsible for the care, safety and supervision of the residents at all times.
5. Develop and maintain a behavioral management program at a level to justify a State Rate Level 12. (Level 12 is a level of service defined by the state and refers to the ratio of staff per children).
6. Operate within the state Community Care regulations.
7. Provide a Program Manager to supervise child care staff, ensure compliance with Community Care Licensing regulations and operate within the budget agreed upon with the County.
8. Evaluate with the County at a 3 month and 6 month period their change of placement program's ability to meet California Department of Social Services Rates Bureau's standards of reimbursement at 90% occupancy.
9. Accept only residents referred by the existing County Children's Receiving Home staff. Contractor may not reject any referral from the County Children's Receiving Home staff and that referrals are not to be returned to the County Children's Receiving Home unless there is Agreement by both the Contractor and the County's receiving home staff to do so.
10. Provide non-territorial space within the Tower House Receiving Home for outposted service providers. (Examples of service providers are the nurse, mental health providers, senior counselors, and others that will provide services to Tower House Receiving Home.)

11. Operate a county shelter program. The Contractor recognizes that it becomes subject to the case plans of the Juvenile Court by signing this Agreement.
12. Administer medications and ensure the continuity of medications to residents.
13. Ensure that each resident is enrolled in and attends school.
14. Work with County Mental Health regarding the Therapeutic Behavior (TBS) program.
15. Contact the following for maintenance requests:

Peter Coudray
(650) 312-8902

16. Be responsible for any damages caused by the residents of Tower House to the facility, daily upkeep, including garbage, and obtaining custodial service for Tower House, and any related costs.

County's Responsibilities:

The County will:

1. Pay the lease Agreement with GE Capital and the annual maintenance point of service costs to Department of Public Works for the Tower House Receiving Home. Total lease costs not to exceed \$24,000. The total annual maintenance point of service costs not to exceed \$5,000. (Maintenance point of service costs refers to the coverage of all maintenance for the Tower House Receiving Home with the exception of maintenance due to damage caused by the residents.) The Tower House Receiving Home will hereinafter be called Tower House in this document.
2. Pay for all utilities, automation fees incurred, including telephone usage and networking costs. Pay a fee-for-service at the rates shown below per hour for any maintenance not included in the annual maintenance point of service costs:

Type of Service	Fee per hour
Carpenter	\$59.36
Locksmith	\$57.09
Painter	\$57.78
Stationary Engineer	\$57.42
Utility Worker	\$46.19

Contracted services and materials are billed at actual cost
(Rates are subject to change)

3. Provide the initial basic furniture, office equipment, computers, beds and appliances for Tower House. It is understood that all purchases made by the County will become the property of the County and may not be transferred or sold by the Contractor.

4. Be responsible for Intake and referral of program participants. (The existing County Children's Receiving Home will be the focal point of intake.)
5. Ensure that any referral to the facility who has an injury or illness is medically cleared by San Mateo County General Hospital prior to entering Tower House.
6. Provide a Nurse Practitioner that will be available in case of illness or injury and for checkups, health education, staff consultation, making medical and dental appointments.
7. Provide educational liaison staff that will be available to work with the children's files, assist with Individualized Educational Plan referral and follow up, and consultation with staff.
8. Provide dinner up to 7 days per week as deemed necessary by the County. Food will be purchased and delivered through the County Catering Connection.
9. Provide Senior Counselors who will:
 - Act as liaisons to Social Worker staff when placement issues arise and when cases require interaction with the Court.
 - Meet at least weekly with Tower House Receiving Home staff.
 - Be available to meet with Tower House residents and referrals.
 - Be available to meet with Placement Social Workers.
10. Evaluate with the contractor at a 3 month and 6 month period their change of placement program's ability to meet California Department of Social Services Rates Bureau's standards of reimbursement at 90% occupancy.
11. Evaluate the need of increasing the number of residents served at Tower House Receiving Home from 6 to 8 within 6 months of beginning operations and continuing through the term of this Agreement. It is understood that 8 residents is the maximum number of residents that Tower House Receiving Home can house.

Moss Beach Homes, Inc.

August 20, 2002 through June 30, 2003 (This is just to say that amount is for one year only as year 2 and year 3 will be renegotiated as shown in attachment 1)

Budget and Payment Schedule

Budget:

- The cost to the County to have the Contractor operate a change of placement program at the Tower House Receiving Home is as shown in Attachment I and is incorporated by reference herein.
- A base fee for the use of real property in the amount of \$1.00 will be deducted annually making the County total year one (1) obligation \$198,242.

Payment:

The payment amount for FY2002-03 is \$171,597 based on an annualized cost of \$198,242.

The County shall pay Contractor \$16,519.25 for the first month year one (1). The County will pay the Contractor the prorated amount of \$6,394.50 for the month of August 2002 and \$16,520.25 monthly for the remaining months of the year one (1) upon receipt and approval of invoices. (Payment to the Contractor shall not exceed \$171,597 for fiscal year 2002-03.) This Agreement will be amended annually to add funds for the remaining fiscal years. The annualized amount of this Agreement for year one (1) is anticipated to be \$198,242.

Invoices shall be sent to:

Marnita Garcia-Fulle
County of San Mateo
Human Services Agency
400 Harbor Blvd., Bldg B
Belmont, CA 94002

Attachment I

Change of Placement Program for Dependent Children

*Cost to the County of San Mateo for One Year

Expenses		
Category	Wage Parity Subsidy	
PAYROLL	Hourly Rate	Salary
Program Manager (salary) 40+ hrs wk		\$25,000
1 CCW III 40 hr wk	\$21	16,627
1 CCW II 30 hr wk	\$20	12,470
CCW I - AM 56 hrs wk	\$17.50	23,278
CCW I - PM 96 hrs wk	\$17.50	39,905
CCW I - NS 112 hrs wk	\$17.50	46,556
Occupancy Fee Adjustment		1
Total Payroll		163,837
Total Payroll & Benefits		163,837
Management & Support		34,406
Total Expenses w/ Allocations		\$198,243
Less \$1.00 Occupancy Fee Charged by the County of San Mateo		-\$1.00
Total Amount of County Obligation		\$198,242

* Year two and year three of the Agreement will be renegotiated and in the form of an Amendment to this Agreement

Moss Beach Homes, Inc.
August 20, 2002 through June 30, 2005

Program Monitoring

Monitoring

The change of placement program operated by the Contractor will be monitored on a monthly basis by the Human Services Program Manager. Program integrity will be monitored by:

- Reviews of individual Needs and Services Plans and any modifications to same for all residents; and
- Case reviews of any resident who escalates to a 602 Ward (602 Ward refers to residents that are under the supervision of probation), is hospitalized for psychiatric reasons or is discharged on an unplanned basis; and
- Reviews of individual Runaway Plans as developed, AWOLS and interventions, if any; and
- Reviews of any deviations from Discharge/Transfer Policy; and
- Review of instances of use of emergency restraints; and
- Review of unusual Incident Reports; and
- Review of any Resident Complaint Forms.

Fiscal reviews will be held on a quarterly basis and will consider:

- Capacity issues; and
- Any budget issues.

Contractor will prepare and submit to County an annual report of actual budget costs. This report will be submitted within 90 days after the end of the fiscal year.

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: Moss Beach Homes, Inc
 Contact Person: Vernon Brown
 Address: 333 Giffert Blvd # 203
Daly City, CA, 94015
 Phone Number: (650) 758-0111
 Fax Number: (650) 758-0122

II Employees

Does the Contractor have any employees? Yes No

Does the Contractor provide benefits to spouses of employees? Yes No

If the answer to one or both of the above is no, please skip to Section IV.

III Equal Benefits Compliance (Check one)

- Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
- Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
- No, the Contractor does not comply.
- The Contractor is under a collective bargaining agreement which began on _____ (date) and expires on _____ (date).

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 17 day of July 2002 at _____

CA
(State)
Vernon Brown
Signature

C.E.O.
Title

Belmont
(City)

Vernon Brown
Name (Please Print)

94-2442955
Contractor Tax Identification Number

Moss Beach Homes, Inc.
August 20 2002 through June 30, 2005

Assurance of Compliance with Section 504 of the
Rehabilitation Act of 1973, as Amended

The undersigned (hereinafter called the "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)

- a. () employs fewer than 15 persons.
- b. (x) employs 15 or more persons and, pursuant to section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a)), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

Type or Print

Name of 504 Person: Vernon Brown

Address: 333 Gallett Blvd #203

City & State Zip Code: Daly City, CA, 94015

I certify that the above information is complete and correct to the best of my knowledge.

7/16/02
Date

Vernon Brown C.E.O.
Signature and Title of
Authorized Official

*Exception: DHHS regulations state that:

"If a recipient with fewer than 15 employees finds that, after consultation with a disabled person seeking its services, there is no method of complying with (the facility accessibility regulations)...other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."

FINGERPRINTING CERTIFICATION FORM

Agreement with Moss Beach Homes, Inc

For

Administering Placement Home Services

Contractor agrees that its employees and/or its subcontractors, assignees and volunteers who, during the course of performing services under this agreement, have contact with children will be fingerprinted in order to determine whether they have a criminal history which would compromise the safety of children with whom contractor's employees, assignees and subcontractors or volunteers have contact in accordance with Paragraph 9, Child Abuse Prevention and Reporting, of this Agreement

Van B...
Name (Signature)

C.E.O.
Title

9/16/02
Date

Exhibit H

“Premises”

The Premises consist of a parcel of land, certain site improvements and building improvements generally described as follows:

Improvements are set on a portion of a County-Owned parking lot in San Mateo County, California. The parcel is approximately 80 feet by 120 feet and set at the westerly end of the larger improved parking lot.

Site improvements include asphalt paved parking areas, concrete curbs, landscaping, fencing and decking.

Five 12-foot by 60-foot leased modular units have been put into place on the parcel and improved with office, residential, kitchen and bath facilities.

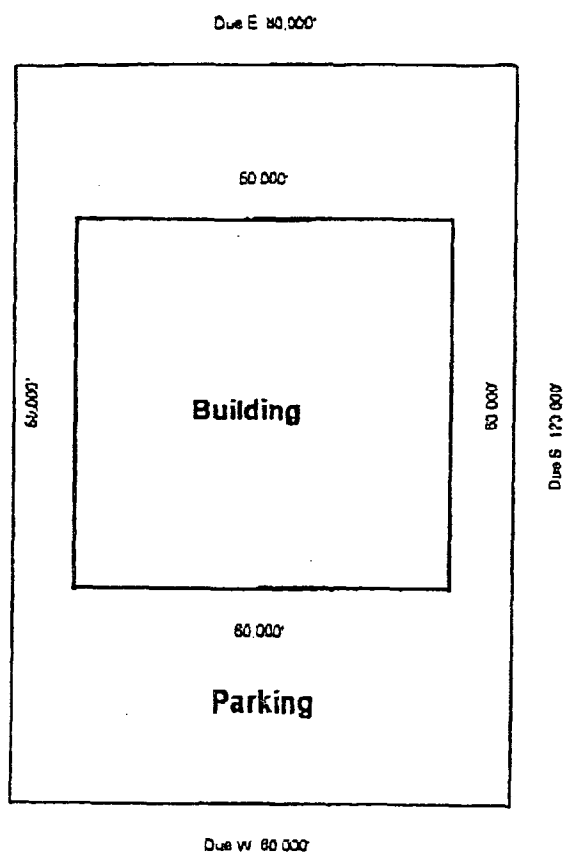
A rough schematic of the land and improvements follows this page.

SUBJECT

Property Address Tower House
 City San Mateo County San Mateo State CA Zip
 Borrower
 Lender/Client N/A L/C Address N/A
 Appraiser Name Joe Napierello Appr Address Real Property Services

IMPROVEMENTS SKETCH

All Dimensions are Approximate



Scale 1 = 30

AREA CALCULATIONS

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Totals
GBAL	First Floor	3600.0000	3600.0000
SITE	Subject Site	9600.0000	9600.0000
TOTAL BUILDING (rounded)			3600

BUILDING AREA BREAKDOWN	
Breakdown	Subtotals
First Floor 60.000 x 60.000	3600.0000
1 Area Total (rounded)	3600

COUNTY OF SAN MATEO AGREEMENT WITH INDEPENDENT CONTRACTOR

Agreement No. 47400-02-D010

Contractor Name and Address

GE Capital Modular Space
21201 Cabot Boulevard
Hayward, CA 94545

Contractor: Upon completion of work or agreed-upon work periods, mail invoice with above Agreement Number to:

Department: Department of Public Works
Attention: Steve Medina
Address: 555 County Center, 5th Floor
City, State, Zip Redwood City, CA 94063

It is agreed between the County of San Mateo, California, and Contractor as follows:

1. **Services to be performed by Contractor** In consideration of the payments hereinafter set forth, Contractor shall perform services for County in accordance with the terms, conditions and specifications set forth herein and in Exhibit "A" attached hereto for the COUNTY OF SAN MATEO DEPARTMENT/DIVISION OF **Department of Public Works**. Contractor shall ensure compliance with all state, federal and local laws or rules applicable to performance of the work required under this contract.
2. **Contract Term** The term of this Agreement shall be from 03/01/02 to 02/28/03 unless terminated earlier by the County.
3. **Payments** In consideration of the services rendered in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A", County shall make payment to Contractor in the manner specified herein and in Exhibit "A". In the event that the County makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the County at the time of contract termination. The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall total payment for services under this Agreement exceed \$24,000.00.
4. **Relationship of the Parties** Contractor agrees and understands that the work/services performed under this Agreement are performed as an Independent Contractor and not as an employee of the County and that Contractor acquires none of the rights, privileges, powers or advantages of County employees.
5. **Worker's Compensation Insurance** The Contractor shall have in effect, during the entire life of this Agreement, Worker's Compensation and Employer Liability Insurance providing full statutory coverage. In signing this Agreement, Contractor certifies awareness of the provisions of section 3700 of the California Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and certifies compliance with such provisions before commencing the performance of this work of the Agreement as set forth in California Labor Code section 1861.
6. **Insurance** The Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him/her while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all operations under this Agreement, whether such operations be by himself/herself or by any Subcontractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amount specified by Risk Management.
7. **Hold Harmless** Contractor agrees to indemnify and defend the County, its employees and agents from any and all claims, damages and liability in any way occasioned by or arising out of the negligence of the contractor in the performance of this agreement.

8. **Confidentiality** All data produced or compiled by Contractor shall be considered confidential unless it can be obtained as public record and shall not be shared with a third party without the prior written consent of County. All financial, statistical, personal, technical, and other data and information relating to the County's operations which is made available to the Contractor in order to carry out this Agreement shall be presumed to be confidential. Contractor shall protect said data and information from unauthorized use and disclosure by the observance of the same or more effective procedures as the County requires of its own personnel. The Contractor shall not, however, be required by this paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the Agreement or is rightfully obtained from third parties.
9. **Non-Assignability** Contractor shall not assign this Agreement or any portion thereof to a third party without the prior written consent of County, and any attempted assignment without such prior written consent in violation of this Section shall automatically terminate this Agreement.
10. **Termination of Agreement** The County Purchasing Agent may, at any time from execution of Agreement, terminate this Agreement, in whole or in part, for the convenience of the County, by giving written notice specifying the effective date and scope of such termination. Termination shall be effective on a date not less than thirty days from notice. In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. In the event of termination, Contractor shall be paid for all work satisfactorily performed until termination, except where the contracting department determines the quality or quantity of the work performed is unacceptable. Such payment shall be that portion of the full payment, which is determined by comparing the work/services completed to the work/services required by the Agreement.
11. **Payment of Permits/Licenses** It shall be the Contractor's responsibility to obtain any license, permit or approval required from any agency for work/services to be performed at his/her own expense, prior to commencement of said work/services or forfeit any right to compensation under this Agreement.
12. **Non-Discrimination** No person shall be excluded from participation in, denied benefits of, or be subject to discrimination under this Agreement on the basis of their race, color, religion, national origin, age, sex, sexual orientation, pregnancy, childbirth or related conditions, medical condition, mental or physical disability or veteran's status. Contractor shall ensure full compliance with federal, state and local laws, directives and executive orders regarding non-discrimination for all employees and Subcontractors under this Agreement.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to : i) termination of this Agreement; ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years (up to 5 years for equal benefits violation); liquidated damages of \$2,500 per violation; iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to i) examine Contractor's employment records with respect to compliance with this paragraph; ii) set off all or any portion of the amount described in this paragraph against amounts due Contractor under the Contract or any Contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by a person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint and a description of the circumstance. Contractor shall provide County with a copy of their response to the Complaint when filed.

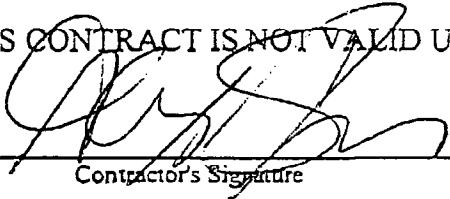
13. **Equal Benefits** With respect to the provision of employee benefits, all Contractors with contracts over \$5,000 shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.

Whereas it is in the best interests of the County to waive the requirements that the Contractor provide equal benefits to its employees as required by the County Ordinance Code, in that this Agreement is necessary to respond to an emergency; the requirement for provision of equal benefits as required by the San Mateo County Ordinance code is waived.

14. **Retention of Records** Contractor shall maintain all records related to this Agreement for no less than three years after the County makes final payment or after termination of this contract and all other pending matters are closed. All records shall be subject to the examination and/or audit by agents of the County, the State of California and/or Federal grantor agencies.

15. Merger Clause This Agreement, including Exhibit "A" attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the County Purchasing Agent. In the event of a conflict between the terms, conditions, or specifications set forth herein and those in Exhibit "A" attached hereto, the terms, conditions, or specifications set forth herein shall prevail. This Agreement, or facsimile proposal of the Agreement, constitutes the entire Agreement between County and Contractor. Further, liability referenced to in section 6 is limited to Contractor's negligence during the Contractor's performance under this contract.

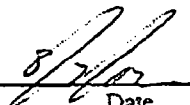
THIS CONTRACT IS NOT VALID UNTIL SIGNED BY ALL PARTIES

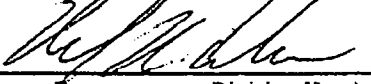

 Contractor's Signature _____ Date 3-4-02
 Contractor's Signature _____ Date _____


Contractor's Tax I.D. number or Social Security number: 221616203

I hereby certify that the services requested are necessary, that the selection process documentation is accurate, that all insurance certificates including Worker's Compensation are on file in this office, that Risk Management has approved any reductions in Contractor's insurance limits below \$1,000,000, and that no work will commence until this document is signed by the County Purchasing Agent. The Contractor shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.


 Purchasing Agent, County of San Mateo


 Date


 Department or Division Head Approval


 Date

4740B
 Budget Unit

COUNTY OF SAN MATEO AGREEMENT WITH INDEPENDENT CONTRACTOR

Agreement No. 47400-02-0010
Exhibit "A"

Agreement between the County of San Mateo and GE Capital Modular Space

Use Additional Sheets as Necessary

I. Description of Services to be Performed by the Contractor

San Mateo County Department of Public Works is entering into a lease agreement with GE Modular Space (per attached lease agreement Exhibit "B") for a period of one year for units 088343, 088344, 388345, 388346, 088353 (Tower House Project, 30 Tower Road, San Mateo, CA 94545). Full responsibility for the lease agreement will revert to San Mateo County Department of Human Services on 03/01/03.

San Mateo County Department of Human Services shall be responsible for all charges under this agreement and invoices for monthly charges shall be sent to :

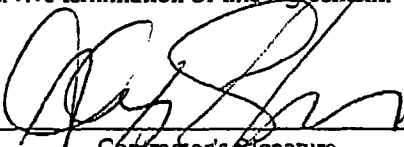

Mr. Phil Naylor
San Mateo County Department of Human Services
262 Harbor Blvd., Building A
Belmont, CA 94002

II. Amount and Method of Payment

Payment will be made on a monthly basis per attached Exhibit "B".

In any event, the total payment for services of Contractor shall not exceed \$24,000 and the County shall have the right to withhold payment if the County determines that the quantity and/or quality of the work performed is unacceptable.

Contractor agrees that the requirements of this Agreement pertaining to the protection of proprietary rights and confidentiality shall survive termination of this Agreement.

	<u>3-4-02</u>		
Contractor's Signature	Date	Contractor's Signature	Date

Contractor's Tax ID Number or Social Security Number: 

	<u>3/7/02</u>		<u>3/7/02</u>	<u>4740B</u>
Purchasing Agent, County of San Mateo	Date	Department or Division Head	Date	Budget Unit

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor:

GE Capital Modular Space

Contact Person:

Alex Suji

Address:

21201 Cabot Blvd

Hayward, CA 94545

Phone Number:

510-785-7800 Fax Number: 510-785-8041

II Employees

Does the Contractor have any employees? Yes No

Does the Contractor provide benefits to spouses of employees? Yes No

If the answer to one or both of the above is no, please skip to Section IV.

III Equal Benefits Compliance (Check one)

Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.

Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.

No, the Contractor does not comply.

The Contractor is under a collective bargaining agreement which began on _____ (date) and expires on _____ (date).

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 4 day of March, 2002 at Hayward, CA (City) (State)

Alex Suji Signature

ALEX SUJI Name (Please Print)

Sales Specialist Title

Contractor Tax Identification Number

Waiver Request Memo

Date: 02/14/02
To: Jim Saco, County Manager's Office
From: Neil Cullen, Director of Public Works
Subject: Waiver Request

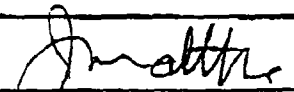
We are requesting a waiver of the Equal Benefits Ordinance to enter into or amend a contract with GE Modular Space for a 12-month lease agreement for \$24,000.

This waiver is necessary and in the best interest of the County for the following reason(s):

- Necessary in order to respond to an emergency
- Sole Source
- No compliant contractors are capable of providing the goods/service
- Inconsistent with a grant, subvention or agreement with a public agency
- Is part of a Cooperative or Joint Purchasing Agreement
- Other

Attached is a detailed explanation of the reason(s) checked above.

- Approved
- Not Approved



 Signing Authority

2-15-02

 Date



GE Capital Modular Space

modspace.com

LEASE AGREEMENT NO.: 96902

ACCOUNT NO.: 74101

RETURN EQUIPMENT TO GECMS:

SAN LEANDRO
 21201 CABOT BOULEVARD
 HAYWARD
 CA 94545
 Telephone: 510-785-7800
 1-800-523-7918
 Fax: 510-785-8041

GE CAPITAL MODULAR SPACE, a division of Transport International Pool, Inc., a Pennsylvania corporation ("GECMS") hereby leases the equipment specified below (the "Equipment") to:

San Mateo Co. Public Works
 C/O San Mateo County Human Ser
 262 Harbor Blvd, Bldg A
 BELMONT
 CA 94002
 Customer Contact: Steve Medina
 Telephone: 650 312 5310
 Fax: 650 312 5556
 P.O. #:

The Equipment will be located at (subject to Section 4 on attached page):

30 Tower Rd.
 SAN MATEO
 CA 94402

Customer hereby leases Equipment from GECMS for a minimum period of 12 months (the "Minimum Lease Period") from the start of the lease term in accordance with the terms and conditions of this Lease Agreement including the terms and conditions set forth on the attached page (this "Lease"). Rental month is defined as a thirty-day period.

Customer agrees to pay GECMS without demand and in advance the monthly rental and other charges on the due dates set forth in this Lease. The anticipated delivery date for the Equipment, subject to Section 3(c) on the attached page, will be on or about the 22nd day of March, 2002.

Unit	Class	Width	Length	Serial No.	Monthly	Weekly	Daily	Insurance Value
088343	MULT	12'	60'	7971263S22064	\$400.00	\$92.05	\$13.15	\$28,873
088344	MULT	12'	60'	7970263S22065	\$400.00	\$92.05	\$13.15	\$22,804
088345	MULT	12'	60'	7971263S22066	\$400.00	\$92.05	\$13.15	\$22,804
088346	MULT	12'	60'	7971263S22067	\$400.00	\$92.05	\$13.15	\$22,804
088353	MULT	12'	60'	7971263S22074	\$400.00	\$92.05	\$13.15	\$22,721

ONE TIME CHARGES	
DELIVERY	
BUILDING DELIVERY (Qty: 1 at \$2,000.00)	\$2,000.00
INSTALLATION	
BLOCK AND LEVEL (Qty: 1 at \$10,200.00)	\$10,200.00
ANCHOR/TIE DOWN (Qty: 1 at \$2,380.00)	\$2,380.00
SKIRTING - WOOD	\$2,520.00
MODIFICATIONS	
LABOR (Qty: 1 at \$14,700.00)	\$14,700.00
MATERIAL (Qty: 1 at \$14,700.00)	\$14,700.00
RETURN DELIVERY	
BUILDING RETURN* (Qty: 1)	***
DISMANTLING	
UNBLOCK* (Qty: 1)	***

MONTHLY CHARGES	
COMPLEX	\$2,000.00
Total	\$2,000.00

DAILY: \$65.75
 WEEKLY: \$460.25

** Billed at Termination Total \$46,500.00
 *** Billed at current rate at Termination

No agent, employee or representative of GECMS has any authority to make any representation or warranty concerning the Equipment that is not specifically included in this Lease. Unless specifically identified in this Lease, this Lease supersedes all prior negotiations, proposals and documents. This Lease will not be subject to any additional provision that may be contained in the Customer's purchase order, although Customer's purchase order number may be used by the parties as a convenient reference for invoicing purposes.



GE Capital Modular Space
modspace.com

Form: US062998A

TERMS AND CONDITIONS OF LEASE AGREEMENT

1. Lease

This transaction is an operating lease and not a sale. Customer does not acquire through this Lease or by payment of rental under this Lease any right, title or interest in or to the Equipment, except the right to possess and use the Equipment so long as Customer is not in default under this Lease.

2. Rental and Other Payments

(a) The start of the lease term is the date on which GECMS substantially completes its scope of work for installation, unless otherwise agreed to among the parties. Monthly rental will accrue through and including the month in which the later of the Return Date or End of the Term occurs. The "Return Date" is the date on which the Equipment is returned to GECMS in accordance with the terms of this Lease. The "End of the Term" is the date on which the term of this Lease is to expire, either originally, under a renewal term or under month-to-month renewals as contemplated by this Lease. Rental and such other charges will be prorated on a daily basis where necessary. Unless otherwise specified in this Lease, charges for delivery and installation, initial month's rent and any applicable initial charges for the Optional Insurance Program and Damage Waiver will be due and payable at the start of the lease term, and charges for teardown and return will be due and payable at the earlier of the Return Date or the End of Term. After payment of the initial month's rent, each month's rent thereafter is due and payable without demand and in advance (i) at the end of each thirty (30) day period following the commencement of the lease term, if a rental month is defined on the first page of this Lease as a thirty-day period or (ii) on the first of each month immediately following the month in which this lease commences, if a rental month is defined on the first page of this Lease as a calendar month. All other sums payable by Customer under this Lease are due and payable when invoiced. Unless agreed otherwise, all payments made under this Lease will be made by Customer's check drawn on its regular bank checking account or such other form of payment as is acceptable to GECMS. All payments by Customer will be made without setoff or deduction of any kind.

(b) Customer will pay GECMS for any and all sales and use taxes, other direct taxes and registration fees imposed by any city, county, state, or federal government or other taxing authorities and related directly or indirectly to the Equipment or its use, excluding federal or state taxes relating to income (all of the foregoing that Customer is to pay, "Taxes"). Taxes may be allocated by GECMS on either an individual or prorated basis for any item of Equipment based on purchase price, value, possession, use, location, rentals, delivery or operation of such Equipment. Taxes may include an allocation on a statewide basis of locally imposed taxes. Customer's obligations under this Subsection will survive the termination of this Lease.

(c) For Customer's convenience, GECMS intends to issue invoices for amounts due under this Lease. If Customer fails to pay any amount due within twenty (20) days of the due date, GECMS may impose a charge on such amount at one and one-half percent (1-1/2%) per month or the highest rate permitted by law, whichever is lower, from the due date until payment in full is received by GECMS.

(d) When the Lease term exceeds eleven (11) months, the rental charge may, at GECMS's option, be adjusted upward, based upon the Consumer Price Index, All Urban Consumers, U.S. City Average, All Items ("CPI") (United States Bureau of Labor Statistics or such other index as may succeed the CPI), as follows:

For each change of one percent (1%) in the CPI from the CPI as available immediately prior to the start date of this Lease, the rental rate will be adjusted by a factor of one percent (1%). Any adjustments will take effect at six (6) months following the start date of this Lease and will be further adjusted each six (6) months thereafter. The adjustment will be based on the most recent CPI indices available prior to the invoice in which an adjustment is made.

3. Delivery and Installation

(a) Customer will provide free and clear access for delivery of the Equipment by standard mobile transport vehicles. Customer will be solely responsible, at its cost, for preparation of the site on which the Equipment is to be used (the "Site"), including any required structural or grade alterations and identification of utility lines. Customer will provide firm and level ground on no more than a six-inch (6") slope from one end to the other for safe and unobstructed installation for the Equipment. Site selection is the sole responsibility of Customer. **GECMS ASSUMES NO LIABILITY NOR OFFERS ANY WARRANTY FOR THE FITNESS OR ADEQUACY OF, OR THE UTILITIES AVAILABLE AT THE SITE.**

(b) Customer will have sole responsibility, at Customer's cost, to obtain any and all licenses, titles, building and other permits and any other approvals and certificates as may be required by law or otherwise for the installation and placement of the Equipment and Customer's lawful operation, possession or occupancy of the Equipment. Customer agrees that all certificates of title or registration applicable to the Equipment will reflect GECMS's ownership of the Equipment.

(c) GECMS's delivery of the Equipment is subject to delays in manufacturing, modification, delivery or installation due to fire, flood, windstorm, riot, civil disobedience, strike or other labor actions, acts of God, or any circumstances beyond GECMS's control (including but not limited to breaches by GECMS's sub-contractors or manufacturers) which delay the manufacture or modification of products or the making of deliveries in the normal course of business.

(d) The prices for delivery, installation, teardown, return delivery and other "one-time" charges, the due dates of such charges and the start date of this Lease assume accuracy of the information given to GECMS with respect to Site conditions and locations and are subject to adjustment to the extent that the timing of or physical nature of access to the Site is or becomes limited, the Site does not have adequate load bearing or topographic qualities or is otherwise not properly prepared, utilities are not correctly located, provision of utilities is not timely or applicable licenses or permits are not provided in a timely manner or Customer otherwise delays completion of GECMS's scope of work.

(e) GECMS may suspend work at the Site if GECMS deems the Site to be unsafe.

4. Maintenance of Equipment

(a) Customer will not move or in any way modify the Equipment without written consent of GECMS. Notwithstanding GECMS's consent to Customer's modification of the Equipment, Customer is liable for the cost of the removal of such modification or restoration of the Equipment upon the termination of this Lease for the modified Equipment. GECMS may place its name on the Equipment, and Customer will assure that such name is not removed or concealed in whole or in part.

(b) Customer, at Customer's sole cost, will keep the Equipment at all times until the Return Date in good repair and operating condition, subject to ordinary wear and tear, and free of any and all liens and encumbrances. GECMS will have the right to inspect the Equipment from time to time until the Return Date and if GECMS believes the Equipment to be misused, abused or neglected, GECMS may summarily remove and repossess the Equipment at Customer's cost.

(c) Customer will perform, execute and comply with all Laws which in any way affect the use, operation, maintenance, or storage of the Equipment. "Laws" means all laws, rules, regulations or orders of any governmental agency or instrumentality of the United States, Canada, any state, province, municipality or other local government and all orders, writs and decrees of any court, tribunal or administrative agency, in any case which now exist or hereafter arise (including but not limited to laws governing Hazardous Substances and other environmental risks and the Americans with Disabilities Act). Customer will not make or permit any unlawful use or handling of the Equipment.

(d) **HAZARDOUS SUBSTANCES.** (i) "Hazardous Substances" means hazardous, toxic, radioactive or bio-hazardous substances or petroleum products. (ii) Customer will not use or store Hazardous Substances in the Equipment, except such substances and in such quantities as would be normal in the operation of a commercial office. Customer will not locate the Equipment at a remediation or nuclear site or use the Equipment for medical laboratory testing. (iii) Ordinary wear and tear does not include contamination by Hazardous Substances. If any returned Equipment is found to have been contaminated by Hazardous Substances during Customer's possession, GECMS may charge Customer for the clean up or may require Customer to purchase the Equipment at the then current market price charged for an uncontaminated unit.

(e) Customer agrees that the Equipment leased hereunder will not be occupied by any person other than Customer or its agents, employees or invitees. The Equipment will not be used for residential or dormitory purposes.

5. NO WARRANTY FOR MERCHANTABILITY OR FITNESS

THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, AND ALL WARRANTIES OF ANY KIND, INCLUDING ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE, ARE HEREBY EXCLUDED BOTH AS TO THE EQUIPMENT AND AS TO ANY INSTALLATION, MAINTENANCE OR REPAIR WORK PERFORMED BY GECMS ON THE EQUIPMENT.

6. Limitation of Damages

Customer does hereby expressly waive any and all claims and demands for loss of profits or other alleged consequential, incidental or punitive damages arising out of or in connection with this Lease. GECMS is not liable for any loss or damage to any property stored, located or transported in, upon, under or around any Equipment and Customer does hereby waive any and all claims and demands for any such loss or damage.


TERMS AND CONDITIONS OF LEASE AGREEMENT
7. End of Lease

- (a) Unless specified otherwise, Customer must give GECMS sixty (60) days' prior written notice of the date on which the Equipment is to be returned.
- (b) If Customer, without any further written agreement, continues to possess or occupy the Equipment after the expiration of the initial and any renewal term of Lease, with or without consent of GECMS, Customer will then be deemed to have renewed this Lease on a month-to-month basis subject to such rate as GECMS declares to be in effect (and in the absence of such declaration at the last monthly rate applicable to the Equipment), and GECMS may terminate such month-to-month extensions at any time.
- (c) If, at any time after the initial or any renewal term (or at GECMS's request at any time this Lease is on a month-to-month basis), GECMS requests the return of the Equipment, Customer will return the Equipment to GECMS, within five (5) days, at GECMS's designated address, at Customer's sole cost. Missing accessories, attachments or other items, repairs of any kind and restoration to original specifications whether due to Customer alterations or otherwise will remain the sole responsibility of Customer, normal wear and tear excepted.
- (d) Customer may terminate this Lease prior to the expiration of the Minimum Lease Period, subject to all terms and conditions of this Lease, and the Customer will pay (in addition to tear-down and return charges) the following termination charges:
- i) If Customer is the first user of the Equipment: the remaining unpaid rental charges for the Minimum Lease Period;
 - ii) If Customer is not the first user: (A) if the Minimum Lease Period ("MLP") is less than three (3) rental months, four (4) times the Adjusted Weekly Lease Charge ("AWLC"); (B) if the MLP is between three (3) rental months and six (6) rental months, inclusive, eight (8) times the AWLC; if the MLP is more than six (6) rental months but one (1) year or less, twelve (12) times the AWLC; if the MLP exceeds one (1) year, fourteen (14) times the AWLC for each year, or portion thereof, of the portion of the MLP cancelled.
 - iii) The "Adjusted Weekly Lease Charge" or "AWLC" means the Weekly Lease Charge less that portion representing amortization of any delivery, set-up, tear-down, return or similar one-time charges and customer-requested modifications not provided as a separate charge under the terms of this Lease (the "Amortized One-Time Costs"). In addition, Customer will pay in full the unpaid Amortized One-Time Costs. In no case will the termination charges be in excess of the rental charge for the remainder of MLP.

8. Indemnification

- Customer hereby specifically indemnifies, agrees to defend and holds harmless GECMS's employees and agents from any and all loss, claims, liabilities, damages, fines, forfeitures, seizures, penalties and expenses (including attorneys' fees and investigative costs) (collectively "Losses") that may arise from or in connection with:
- (a) The loss of or damage to the Equipment prior to the Return Date because of collision, fire, lightning or theft, flood, windstorm or explosion, civil disturbance or riot or any other peril or casualty;
 - (b) The death of or injury to, including but not limited to, damage to the property of, any person (other than the Equipment) as a result of, in whole or in part, the use or condition prior to the Return Date of the Equipment;
 - (c) Any act or omission of Customer in violation of this Lease;
 - (d) The actual or alleged storage, maintenance, use, handling, repair, or operation of the Equipment, prior to the Return Date, including but not limited to any failure to use anchor straps, any work done on, or any materials supplied to or in connection with the operation, maintenance, possession or storage of the Equipment and any loss or damage to anything stored in any of the Equipment; and
 - (e) Any damage to Customer's property or the property of any third parties incurred during or in connection with the fulfillment of Customer's obligations by or on behalf of GECMS or the repossession or return of Equipment by GECMS in accordance with the terms of this Lease.
- The obligations contained in this Section 8 will survive expiration or termination of the term of this Lease and the Return Date. The indemnifications contained in this Section 8 will apply to any Losses whether they are asserted before or after the Return Date.

9. Insurance

- (a) Customer, at Customer's sole cost, will procure and keep in full force and effect, from the initial delivery date until the return of all Equipment the following policies of insurance satisfactory to GECMS as to the insurer and as to the form and amount of coverage, with premiums prepaid:
- i) Commercial General Liability Insurance with a minimum combined single limit of \$1,000,000 per occurrence, written on an occurrence form, including coverage for premises, operations, contractual liability, broad form property damage, independent contractors and personal injury liability, naming GECMS as an additional insured.
 - ii) Commercial Property Insurance protecting against all loss and damages, at full replacement cost, sustained or suffered due to the loss of or damage to the Equipment as a result of collision, fire, lightning, theft, flood, windstorm, explosion or any other casualty, naming GECMS as a loss payee.
- (b) Customer will deliver certificates evidencing all such insurance to GECMS within fourteen (14) days after delivery of the Equipment to Customer's site, time being of the essence; except that, if Customer elects to enroll in the Optional Insurance Program or the Damage Waiver Option, Customer will not have to deliver certificates of insurance to GECMS for the type of risks covered by the Optional Insurance Program or Damage Waiver Option as elected by Customer. Each certificate will state that such insurance will not terminate or be materially changed without thirty (30) days' prior written notice to GECMS.
- (c) If Customer fails to deliver the insurance certificate as required by paragraph (b) on the date required, Customer will be in default under this Lease. In addition to all the other remedies for default under this Lease, GECMS may (i) impose upon Customer a one-time fee for insurance processing of One Hundred Dollars (\$100) and (ii) assess as additional rent an uninsured lessee fee of ten percent (10%) of the monthly rental from the start of the lease term until the required insurance certificate is delivered to GECMS.
- (d) Obtaining insurance as described above, including the Optional Insurance Program, will not affect Customer's obligations and indemnities under this Lease, and the loss, damage to, or destruction of any of the Equipment will neither terminate this Lease nor, except to the extent that GECMS is actually compensated by insurance paid for by Customer, relieve Customer of any of Customer's liability under this Lease.

10. Optional Insurance and Damage Waiver

- (a) In certain circumstances, Customer may choose (i) to enroll in an Optional Insurance Program to cover general liability risks (the "Optional Insurance Program") or (ii) to accept a Damage Waiver Option to cover damage to the Equipment (the "Damage Waiver Option") or (iii) to elect both options. If the Optional Insurance Program or the Damage Waiver Option is available and Customer, in writing prior to delivery of the Equipment to the site, elects to enroll in the Optional Insurance Program or accept the Damage Waiver Option, then, Section 10(b) will apply if Customer elects to enroll in the Optional Insurance Program and, Section 10(c) will apply if Customer accepts the Damage Waiver Option.
- (b) The Optional Insurance Program is fully described in an Outline of Coverage ("the "Outline of Coverage") which Customer has received and reviewed prior to any election to enroll in the Optional Insurance Program. All questions regarding the Optional Insurance Program will be answered by the qualified licensed insurance agent identified in the Outline of Coverage. If Customer properly elects to enroll in the Optional Insurance Program, so long as such coverage is still in full force and effect, Customer will not be required, under this Lease, to carry additional commercial liability insurance as required by Section 9(a)(i).
- (c) If the Damage Waiver Option is properly elected and so long as Customer timely pays the additional fee specified for such Damage Waiver Option, Customer will not be required, under the terms of this Lease, to carry any additional commercial property insurance as required by Section 9(a)(ii) and Customer will not be liable to GECMS in excess of \$500 per unit of Equipment for loss or damage specified in Section 8(a), except Customer will not be relieved of liability if Customer violates any other provision of this Lease. **THE DAMAGE WAIVER IS NOT INSURANCE COVERAGE.**
- (d) Customer's coverage under the Optional Insurance Program or acceptance of the Damage Waiver Option may be cancelled by either party and rates for coverage under the Optional Insurance Program or fees for the Damage Waiver Option may be changed upon thirty (30) days' prior written notice. If the Optional Insurance Program or Damage Waiver Option is, for any reason, cancelled, Customer will provide to GECMS evidence of policies of insurance as set forth in Sections 9(a)(i) or 9(a)(ii), as appropriate, within ten (10) days prior to the effective date of such cancellation.
- (e) The coverage provided under the Optional Insurance Program and the limitation of liability under the Damage Waiver Option does not extend to the transportation of Equipment or its contents and, only extends to Equipment installed on ground level.
- (f) The Damage Waiver Option will not be binding upon GECMS unless any loss, damage, injury or claim is reported to GECMS in writing within seventy-two (72) hours of the occurrence of any such event. Customer will also provide any information in regard to such event that GECMS reasonably requests.



GE Capital Modular Space
modspace.com

Form: US062998A

TERMS AND CONDITIONS OF LEASE AGREEMENT

11. Default

The occurrence of one or more of the following in clauses (a) - (e) below will constitute an Event of Default under this Lease:

- (a) Customer fails to pay when due any rental payment or any other payment due under this Lease or fails to perform its obligations under Section 9 of this Lease;
- (b) Customer fails to perform or observe any other term or condition under this Lease and such failure remains unremedied for more than ten (10) days after such failure to perform or observe;
- (c) Customer or any person or entity which controls more than fifty percent (50%) of Customer's equity (a "Control Person") or any guarantor of any of Customer's obligations hereunder (a "Guarantor") (i) becomes insolvent, (ii) becomes subject to any voluntary or involuntary bankruptcy or reorganization proceedings, (iii) commits an act of bankruptcy, (iv) makes an assignment for the benefit of creditors, (v) appoints or submits to the appointment of a receiver for all or any of its assets, (vi) admits in writing its inability to pay its debts as they become due or (vii) enters into any type of voluntary or involuntary liquidation or dissolution;
- (d) Customer, any Control Person or any Guarantor defaults under any other agreement with GECMS or any affiliate of GECMS; and
- (e) Any letter of credit, guaranty or other security given to secure the performance of Customer's obligations under this Lease expires, terminates or in the reasonable opinion of GECMS becomes worthless.

Upon the occurrence of an Event of Default, GECMS will have the option to declare the entire balance of rent for the remainder of the stated lease term immediately due and payable and to accelerate and make immediately due and payable any other amounts owing under this Lease. GECMS will also have the option to retake and retain any or all of the Equipment free of all rights of Customer without any further liability or obligation to redeliver any of the Equipment to Customer, and Customer hereby grants GECMS the right to enter upon any premises where all or any of the Equipment is located in order to take possession of and remove such Equipment. (Notwithstanding the foregoing, if an Event of Default occurs under clause (c) above, such accelerations will occur automatically without the need for declaration.) Customer will pay to GECMS on demand all fees, costs and expenses incurred by GECMS in enforcing its rights under this Lease, including without limitation reasonable attorneys' fees. The remedies provided in favor of GECMS will be cumulative and in addition to all other remedies provided in this Lease or existing at law or in equity. No action taken by GECMS pursuant to this Section 11 or Section 13 will release Customer from Customer's covenants, obligations and indemnities provided under this Lease, including but not limited to Customer's obligation for the payment of rentals provided in this Lease.

If GECMS retakes possession of the Equipment or any part of the Equipment and there is at the time of such retaking, in, upon or attached to such repossessed Equipment, any other property, goods or things of value owned by Customer or in the custody or control of Customer, GECMS is authorized to take possession of such other property, goods or things and hold the same for Customer, at Customer's sole cost, either in GECMS's possession or in public storage, at GECMS's sole discretion.

12. GECMS' Right To Cure

If Customer defaults in any of its obligations under this Lease, whether or not an Event of Default then exists, GECMS may pay all amounts or perform or cause to be performed all obligations required to be paid or performed by Customer under this Lease and recover from Customer as additional rent all amounts so paid or the reasonable value of all services so performed.

13. Set-Off

Without limiting any other provision of this Lease, upon the occurrence of an Event of Default, GECMS will have the immediate right, without notice, demand or other action, to set-off against Customer any amounts GECMS may hold as prepayments or deposits for GECMS liabilities to Customer whether or not then due to Customer. Unless otherwise prohibited by law, GECMS will be deemed to have exercised such right to set-off and to have made a charge against any such sums immediately upon the occurrence of any Event of Default by Customer.

14. Assignment, Amendment, Modification, Miscellaneous

(a) Customer will not have the right to assign this Lease or to sublet, rent or otherwise hire out or transfer possession of any of the Equipment to any person or entity other than GECMS, without the prior written consent of GECMS. GECMS may assign this Lease and the rentals reserved under this Lease. If GECMS makes such an assignment, the assignee will acquire all rights and remedies possessed by or available to GECMS under this Lease.

(b) This Lease contains the entire agreement between the parties pertaining to the subject matter of this Lease. No agreements, representation or understandings not specifically contained in this Lease will be binding upon any of the parties hereto unless reduced to writing and signed by the parties to be bound thereby. Any amendment, modification or addendum to this Lease will not be binding on GECMS unless signed by an authorized officer of GECMS. This Lease will be governed as to its construction, interpretation and effect by the laws of the Commonwealth of Pennsylvania without regard to principles of choice of laws.



GE Capital Modular Space

modspace.com

LEASE AGREEMENT NO.: 96902

ACCOUNT NO.: 74101

RETURN EQUIPMENT TO GECMS:

SAN LEANDRO
21201 CABOT BOULEVARD
HAYWARD
CA 94545
Telephone: 510-785-7800
1-800-523-7918
Fax: 510-785-8041

(Continued)

Furnishings Such as cabinets, countertops and cubbies may contain particleboard, which often includes a urea-formaldehyde binder. At your option and expense, we are able to make available to you "no-formaldehyde" furnishings (for instance, metal-based) or "reduced formaldehyde" furnishings (for instance, those that substitute, for particleboard, phenol-formaldehyde plywood or oriented strand board.)

Nearly all carpeting contains styrene-butadiene rubber("SBR"). When new carpeting is being installed in the modular building being delivered to you, the building should receive a minimum of 72 hours of airing-out time under well ventilated conditions after carpet installation and before you permit occupancy of the building.

Attachment A "County of San Mateo Construction Addendum to Lease Agreement fo CRH II-Tower House Project is hereunto incorporated and shall become a part of this agreement.

Lessee has the option to renew this lease agreement at the end of the initial 12 month term for additional 48 months at the same lease rate.

The attached page (Form No.US062998A) contains Terms and Conditions that form an integral part of this Lease. Those terms and conditions include but are not limited to disclaimers of warranties of merchantability and fitness and limitations on damages. The only other documents that form a part of this lease are: NONE.

Signed by duly authorized agents, with the intent to be legally bound, this 7 day of October 2010

By [Signature]
GE CAPITAL MODULAR SPACE AUTHORIZED AGENT

By [Signature]
CUSTOMER OR AUTHORIZED AGENT

Name Alex Sufi

Name MARK A. CUBERTSON
(please print)

Accepted and Del. By: _____
Freight Vendor

Date: _____

Remarks: _____

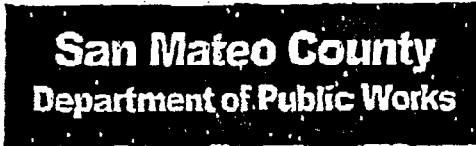
Received and Accepted By: _____
Name: _____
(please print)

Date: _____

08:04

SMC COUNTY COUNSEL

555 County Center 5th Floor
Redwood City, CA 94063
Telephone 650-599-1426
Facsimile 650-361-8220
E-mail gradcliffe@co.sanmateo.ca.us



Fax

OK
Melt
2-5-02

To: *Mick Mares*

Fax: *363-4034*

Pages: *9 including cover*

Phone:

Date:

Re: *B.E. Capital Contract*

CC:

Urgent Please Reply Please Provide Requested Information/Verification

By Fax

By Mail

Hi
I'm working on a \$55,000 contract to have B.E. set up the modular units for the "Lower House" project. Donna said I needed to run the addendum to the Agreement by you. Would you please review and initial for me!

*Thanks!
Gail*

Have a great weekend!

Gail Radcliffe
Contract Administrator
San Mateo County
Department of Public Works

GE Capital Modular Space

Addendum to GE Capital Modular Space Lease Agreement


This addendum is hereby included made a part of GE Capital Modular Space ("GECMS") Lease Agreement No. 967253 (the "Lease"), which was issued by "GE Capital Modular Space a division of Transport International Pool, Inc." ("GECMS") to "County of San Mateo" ("Customer"). In the event of conflict, the terms and conditions contained herein shall be considered binding and supersede those contained in the Lease Agreement.

The parties hereby agree and understand that:

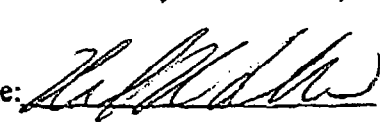
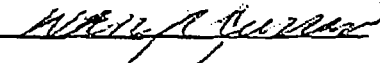
1. In lieu of providing the insurance required in Section 9, Customer will self-insure its obligations under this Lease, including but not limited to any defense costs that may apply. Evidence of self-insurance will meet or exceed the requirements of Section 9 and must be provided to the GECMS Risk Management for approval. If such approval is not obtained, Customer will be responsible for providing a certificate of insurance as set forth in Section 9 or elect the Optional Insurance and Damage Waiver set forth in Section 10.
2. The Customer shall be responsible for the teardown and removal charges which will be billed at the current market rate at the time of termination and for the cost of restoring the Equipment to its original condition at the time of delivery due to any modifications implemented by the Customer regardless of whether or not GECMS has provided consent for such modifications.

With the exception of the above, all other terms and conditions contained in such Agreement remain binding upon the parties.

Agreed and Accepted:
(GE Capital Modular Space)

Name: 
 By: 3-4-02
 Date: ALEX SUFI

Agreed and Accepted:
(Customer: County of San Mateo)

Name: 
 By: 
 Date: 5/7/02

Memo

To: Milt Mares
From: Gail Radcliffe
Date: March 1, 2002
Re: GE Capital Modular Space Contract

Will you please review the attached Addendum To Agreements from GE Capital Modular and let me know if it will be acceptable. Some background for you...


Human Services and Public Works are working together to build the Tower House, a children's receiving home facility that is being constructed on an emergency basis to protect the health and safety of the children at the receiving home on Hacienda St in San Mateo. This facility will be for the older children that are currently placed in the home on Hacienda.

The building will be constructed by joining 5 leased modular units and reconstructing the interior. There is one contract with GE for the construction phase in the amount of \$55,000 and a second contract for \$24,000 to cover the lease of the buildings for one year. At the end of the year, the lease agreement with Public Works will end, and Human Services will be responsible for the continuation of the lease. Human Services is responsible for the charges.

GE Capital does not comply with the Equal Benefits Ordinance, and we have obtained waivers both contracts based on the emergency status of the project. GE would like to have the attached Addendum added to both agreements.

Please give me a call if you need anymore information.

Thanks, and I really appreciate your help.


 Gail

Gail Radcliffe
 Contract Administrator
 San Mateo County
 Department of Public Works

Gail, the addendum is just fine. Milt 3-4-02

GE Capital Modular Space

Addendum To Agreements

This addendum is hereby included and made a part of the Agreement No. 47400-02-D010 and the Agreement dated 02/20/02 ("Agreement"), which was issued to "GE Capital Modular Space a division of Transport International Pool, Inc." ("GECMS") by "County of San Mateo" ("Customer"). In the event of conflict, the terms and conditions contained herein shall be considered binding and supersede those contained in the Agreement.

The parties agree and understand that notwithstanding any terms to the contrary contained in the Agreement that:

1. Limitation on Damages. The Customer does hereby expressly waive any and all claims and demands for loss of profits or other alleged consequential, incidental or punitive damages arising out of or in connection with this Agreement. Without limiting the foregoing, GECMS shall not be liable for any loss or damage to any property stored, loaded or transported in or upon any Units, and the Customer shall have no claim against GECMS for any other money damages as a result of the Customer's obligations to perform any contract which the Customer may have entered into with respect to or related to any of the Units.
2. GECMS will indemnify the Customer against loss, cost, expense or liability to the extent that the cause or causes of such loss, cost, expense or liability results from the negligence of GECMS. Such obligation of indemnity shall apply solely to the GECMS period of performance of the delivery and installation services on the project site.
3. GECMS does not and will not comply with the Equal Benefits clauses of either Agreement. A waiver must be provided by Customer for this Agreement to be in effect.

"County of San Mateo"

Authorized Signature: [Signature] Date: 3/2/02

Name & Title: Walter R. Cullen, Director of Public Works

"GE Capital Modular Space, a division of Transport International Pool, Inc."

Authorized Signature: [Signature] Date: 3-4-02

Name & Title: ALEX SUFI, Sales Specialist

**SAN MATEO COUNTY
MEMORANDUM**

DATE: 7/10/02

TO: Priscilla Harris Morse FAX: 363-4864 PONY: EPS 163

FROM: Deborah Jaeger
FAX: (650) 596-3478 PONY: HSA210

SUBJECT: Contract Insurance Approval

The following is to be completed by the department before submission to Risk Management:

CONTRACTOR NAME: Moss Beach Homes, Inc

DOES THE CONTRACTOR TRAVEL AS A PART OF THE CONTRACT SERVICES?:
Yes

NUMBER OF EMPLOYEES WORKING FOR CONTRACTOR: More than 1

DUTIES TO BE PERFORMED BY CONTRACTOR FOR COUNTY: Contractor will administer the Excell Transitional Placement Program and will occupy the County's Tower House Receiving Home facility located in San Mateo.

The following will be completed by Risk Management:

INSURANCE COVERAGE:	Amount	Approve	Waive	Modify
Comprehensive General Liability	<u>\$4 million</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Motor Vehicle Liability	<u>\$1 million</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional Liability	<u>\$1 million</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Workers' Compensation	<u>\$1 million</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

REMARKS/COMMENTS: This agreement is in the amount of ~~\$464,443~~ ^{174,597}. Of this amount \$206,200 will be in-kind costs, or costs supplemented by the County. The total amount the County will be obligated to pay is ~~\$198,242~~ ^{174,597}.

Priscilla Morse

 Risk Management Signature

 Date

ACORD. CERTIFICATE OF INSURANCE KIS 05170 ISSUE DATE (MM/DD/YY) 12/12/01

PRODUCER

ACORDIA OF CA INS SRVCS
11017 COBBLEROCK DR.#100
CA DOI LIC. #0352275
RANCHO CORDOVA CA 95670

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

- COMPANY LETTER **A** LEXINGTON INSURANCE COMPANY
- COMPANY LETTER **B** FIRST NATIONAL INS CO OF AMERICA
- COMPANY LETTER **C** STATE COMPENSATION INS. FUND
- COMPANY LETTER **D**
- COMPANY LETTER **E**

INSURED

MOSS BEACH HOMES, INC.
333 GELLERT BLVD.
SUITE 203
DALY CITY , CA 94015

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO TR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR OWNER'S & CONTRACTOR'S PROT. <input checked="" type="checkbox"/> DED: \$5,000	0154877	12/16/01	12/16/02	GENERAL AGGREGATE \$ 4,000,000 PRODUCTS-COMP/OP AGG. \$ PERSONAL & ADV. INJURY \$ 3,000,000 EACH OCCURRENCE \$ 3,000,000 FIRE DAMAGE (Any one fire) \$ 50,000 MED. EXP. (Any one person) \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY	BA7755813H	12/16/01	12/16/02	COMBINED SINGLE LIMIT \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$ EACH OCCURRENCE \$ AGGREGATE \$
	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				
C	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY	164505901	07/01/01	07/01/02	<input checked="" type="checkbox"/> STATUTORY LIMITS EACH ACCIDENT \$ 1,000,000 DISEASE-POLICY LIMIT \$ 1,000,000 DISEASE-EACH EMPLOYEE \$ 1,000,000
A	OTHER PROFESSIONAL LIABILITY AGGREGATE PER CLAIM	4372495	12/16/01	12/16/02	RETRO: 12/16/00 \$10,000 DEDUCTIBLE \$4,000,000 \$3,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

SUBJECT TO 10 DAY NOTICE OF CANCELLATION FOR NON-PAYMENT OF PREMIUM.

CERTIFICATE HOLDER

ISSUED TO THE NAMED INSURED FOR INFORMATION

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE