

**LAKE COUNTY AIR QUALITY MANAGEMENT DISTRICT  
COMMUNITY AIR PROTECTION INCENTIVES CONTRACT  
AB617 Contract Number CAP 2021-021**

This Grant Contract (Contract) between Lake County Office of Education ("Participant"), a public agency of the State of California, and the Lake County Air Quality Management District ("District"), a body corporate and politic and a public agency of the State of California, is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2022.

**1.0. Recitals**

- 1.1 The District is in a designated Attainment Area. The Lake County Air Basin is impacted by air contaminants including diesel particulate matter from mobile sources, smoke from wildfires, and emissions from stationary and area sources.
- 1.2 The District is the local agency within the boundaries of Lake County with the primary responsibility for the development, implementation, monitoring, and enforcement of air pollution control strategies.
- 1.2 On May 14, 2019, the District Board of Directors authorized the District's participation in the California Air Resources Board's (CARB) Community Air Protection Incentives Program (Program) Year 2 and authorized the Air Pollution Control Officer (APCO) to implement the Program.
- 1.3 On May 19, 2020, the District Board of Directors authorized the District's participation in the CARB's Program Year 3 and authorized the APCO to implement the Program.
- 1.5 Funding for the Program is appropriated from California Climate Investments by the California State Legislature to support the goals of Assembly Bill (AB) 617 (Chapter 136, Statutes of 2017) and to improve air quality and reduce exposure to air contaminants in California's most impacted communities, particularly Disadvantaged Communities and Low Income Communities.
- 1.6 The Participant wishes to participate in the Program by purchasing and operating the equipment described in this Contract and represents that the purchase is not required by any local, State, and/or federal rule, regulation, memorandum, or other legally binding agreement.
- 1.7 The Participant has read and agrees to all requirements of the Program application and the District's Community Air Protection (CAP) Incentives Policies and Procedures Manual.
- 1.8 Participant understands that the purpose of the Program, and this Contract, is to help the District maintain clean air standards as required by state and federal law.
- 1.9 The parties specifically recognize that CARB, Environmental Protection Agency (EPA), and Department of Finance (DOF), as applicable, are third-party beneficiaries to this Contract and have the right to audit compliance with the Contract, including conducting inspections, and have the right to enforce Participant's compliance with the terms of the Contract.

**2.0. Special Terms and Conditions**

The parties agree to the terms and conditions listed below:

**2.1. Definitions:**

- 2.1.1 **Composite Wood:** Wood based panels made from wood pieces, particles, or fibers that are bonded using an adhesive or resin that may consist of formaldehyde.
- 2.1.2 **Criteria Air Pollutants:** A group of air pollutants identified by the Clean Air Act that can negatively impact peoples' health and the health of the environment.

- 2.1.3 **Disadvantaged Communities:** Communities that are identified by the California Environmental Protection Agency (CalEPA) as the top 25% most impacted census tracts in CalEnviroScreen 3.0 - a screening tool used to help identify communities disproportionately burdened by multiple sources of pollution and with population characteristics that make them more sensitive to pollution.
- 2.1.4 **Eligible Costs:** Costs associated with projects that are eligible for reimbursement under the CAP Incentives 2019 Guidelines (guidelines), prior to considering the cost-effectiveness limit or any project funding cap restrictions. This includes the sum of CAP Incentives Paid Cost and remaining eligible cost.
- 2.1.5 **Expenditure:** Expenditure is to make a full or partial payment of CAP Incentives toward a project invoice for an eligible CAP Incentives project.
- 2.1.6 **Formaldehyde:** A poisonous, odorous gas that is a classified toxic air contaminant and used in manufacturing composite wood based products.
- 2.1.7 **Fully Executed Contract:** A legally binding Contract signed by the APCO or other designated representative and the equipment owner or their legal representative.
- 2.1.8 **Funding Cap:** The maximum dollar amount or maximum percentage of CAP incentives or State funds that may be expended on a project, as specified by source category and limited by variables that include the contribution of other incentive programs, rules, regulations, and incremental cost.
- 2.1.9 **Grant Amount:** The contracted amount of CAP Incentives for a project, which may not exceed the maximum dollar amount or maximum percentage of eligible cost specified by source category and project type.
- 2.1.10 **Liquidate Funds:** Funds for which the District has paid a Participant for a valid and eligible project invoice. A Contract is considered liquidated only when a check or checks for the full Contract amount (or all invoices associated with the project) have been fully paid.
- 2.1.11 **Low-Income Communities:** The census tracts that are either at or below 80 percent of the California statewide median income.
- 2.1.12 **Minimum Efficiency Reporting Value (MERV):** A measurement scale of the effectiveness of an air filter.
- 2.1.13 **Public Entity:** The State of California, a public university or college, a county, city, district, public authority, public agency, public corporation, another state government, the federal government, or any other subdivision or agency of a state government or the federal government.

## 2.2 **Contract Agreement:**

- 2.2.1. Purchase the equipment described in Exhibit A within six (6) months of the execution of this Contract. The Participant may submit a written request to extend this date if the project cannot be successfully completed due to circumstances beyond the Participant's reasonable control.
- 2.2.1 Operate the equipment described in Exhibit A in Lake County for the term described in this Contract.

## 2.3 **Payment:**

- 2.3.1 The District will remit to the Participant up to **\$178,328.25 (90% of the actual project cost)** towards the cost of the equipment identified in Exhibit A. The maximum Contract amount shall not exceed the maximum funding levels in the Guidelines or the District's CAP Incentives Policies and Procedures Manual, nor may the maximum Contract amount exceed the project incremental cost.

- 2.3.2 If any portion of the equipment purchase requires financing, the Participant shall provide the financing terms to the District for review and approval before signing this Contract. No rented or leased type of financing is permissible, only conventional financing will be allowed. A minimum of the full Contract amount shall be used to pay down any financing within 30 days of receiving payment from the District. Proof of payment is due to the District within 45 days of receiving payment from the District.

The Participant has indicated that they will purchase the equipment described in Exhibit A in the following manner:

- ☒ Purchase in full with no financing
- ☐ Use of short-term financing (PO account, net 30 terms, etc.)
- ☐ Use of long-term financing (beyond 30 days)

If the Participant is using commercial or other loans to purchase the equipment, the Participant authorizes the financing entity to release any and all financial information to the District regarding the Participant's payment status at any time during the term of this Contract. Furthermore, the Participant agrees to hold the releasing parties immune from liability for the release of the information to the District.

- 2.3.3 Any payments made under this Contract are subject to the provisions and limitations of the Health and Safety Code (HSC). The District shall have no liability for payment of any compensation and expenses that are found to be in contravention of the HSC or any other local, State, or federal law. The Participant shall reimburse the District for any payments that are later found to be in contravention of the HSC or any other local, State, or federal law.
- 2.3.4 No payments shall be issued under this Contract prior to final inspection of the project by District personnel.
- 2.3.5 Payment of compensation shall be issued by the District to the Participant within sixty (60) days after receipt by the District of a statement of charges and completion of final inspection. Such statement shall be checked and approved by a person or persons designated by the District.
- 2.3.6 Payments made under this Contract are subject to taxation and an IRS Form 1099 will be issued to the Participant. Funds may be withheld by the District as required by law for payment of tax liabilities and/or other court-ordered payments.
- 2.3.7 The District shall pay the lower of the Contract amount in Section 2.3.1 or the maximum funding amount as determined by the State CAP Incentives 2019 Guidelines and the District's Policies and Procedures.

## 2.4 Project Milestones:

- 2.4.1 Purchase and begin operating the equipment described in Exhibit A within six (6) months of the execution of this Contract. Participant may submit a written request to extend this time frame if unable to comply with the deadline due to circumstances outside Participant's reasonable control.

## 2.5 Air Filtration Projects in Schools – This Contract is ☒ or is not ☐ subject to the following requirements:

- 2.5.1 Projects may only be proposed consistent with the California Constitution, which states that no public monies be allowed for the support of any sectarian or denominational school, or any school not under the exclusive control of the officers of the public schools (Cal. Const. Art. 16 § 5 and Art. 9 § 8).
- 2.5.2 The Participant must maintain equipment in Exhibit A in a manner suitable for the type of air filtration equipment selected.
- 2.5.3 The Participant may not sell or encumber the equipment described in Exhibit A without the written

consent of the District.

- 2.5.4 Portable air cleaning units, if applicable, must have a noise threshold at or below 45 decibels and include a clean air delivery rate (CADR) for tobacco smoke (0.09-1.0 µM) that is appropriate for the classroom size.

**2.6 Composite Wood Product Projects in Schools** – This Contract is ☐ or is not ☒ subject to the following requirements:

- 2.6.1 Projects may only be proposed consistent with the California Constitution, which states that no public monies be allowed for the support of any sectarian or denominational school, or any school not under the exclusive control of the officers of the public schools (Cal. Const. Art. 16 § 5 and Art. 9 § 8).
- 2.6.2 Participant must solicit and select replacement composite wood products through a competitive bidding process, and the air district must approve the selection. There must be a minimum of two competitive bids.
- 2.6.3 If glues are required to affix a wood veneer or synthetic material to the composite wood platform, the bids must use NAF/ULEF glues for this purpose.
- 2.6.4 Replacement equipment materials must have documentation attesting that all composite wood products used for the finished product are NAF/ULEF boards.
- 2.6.5 Replacement equipment must have a similar use as old equipment.
- 2.6.6 Replacement equipment must be a composite wood product.

**2.7 Ownership/Operation:** Operate equipment described in Exhibit A in a manner that is consistent with the Program eligibility requirements, the goals and objectives of the Program, the terms of this Contract, and all local, state, and federal rules, laws, and regulations.

**2.8** The District has made no representations or guarantees to the Participant regarding the quality, condition, or proposed use of the equipment funded under this Contract or the effects of such technology on the normal operations of the Participant.

**2.9 Assumed Date of Delivery:** The assumed date of delivery is within six (6) months from Contract execution.

**2.10 Participant Obligations:** Participant must:

- 2.10.1 **Equipment Warranties:** Secure equipment warranties and operate the equipment within the manufacturer's specifications.
- 2.10.2 **Maintenance:** Maintain new air filtration units according to manufacturer's specifications and requirements.
- 2.10.3 **Insurance:** The Participant shall maintain in force at all times during the term of this Contract and any extensions or modifications thereto, insurance in accordance with Exhibit B. In the event the Participant does not have the required certificate of insurance, or if the required insurance lapses, this Contract shall be terminated immediately.

**2.11 Enforcement:**

- 2.11.1 **Inspections and Audits:** The equipment funded under this Agreement is subject to inspection by District, CARB, the DOF, or Funding Partner(s), as applicable, or their designees at any time. An inspection may be conducted at a reasonable time and with reasonable notice to Participant.

**2.11.2 Audit Inspection:** The District, CARB, or their designee may conduct an audit of the Participant's operations to verify that the Participant is complying with the Contract terms.

(i) As a condition of accepting funds, the Participant agrees to designate CARB as a third-party beneficiary with full auditing, inspection, and enforcement rights throughout the entire term of the Contract.

(ii) Any audits will be conducted at a reasonable time and with reasonable notice and coordination with the Participant. The Participant agrees to provide the District and CARB with access to the equipment described in Exhibit A for the full operational life of the equipment.

**2.12 Project Specifications:** Participant must comply with all other requirements detailed in this Agreement and the guidelines for the full contract term.

**2.13 Participant's Warranties:** The Participant warrants that:

i) The equipment meets all of the criteria established in the Program Guidelines in effect at the time this Agreement is signed, as well as the goals and objectives of the Program.

(ii) It will not make any modifications to, or tamper with the equipment in any manner for the full contract term.

**2.14 Invoice Requirements:** The Participant must submit a final invoice packet to the District. The final invoice packet must include:

**2.14.1 Purchase Order Documentation:** A copy of the final purchase order. The purchase order must include the estimated delivery date.

**2.14.2 Final Invoice Documentation:** A copy of (i) the equipment invoice, and (ii) copies of all invoice documents associated with the purchase and installation of equipment described in Exhibit A, detailing costs associated with parts, labor, and miscellaneous charges, including a copy of the Participant final itemized invoice, and the finance agreement for any portion of the equipment purchase price to be privately financed.

The District will not release any funds until Participant submits a final invoice that includes the following information:

- (a) Name, address and phone number of Participant;
- (b) Name, address and phone number of Distributor/Supplier;
- (c) Purchase order date;
- (d) Model Numbers and associated serial numbers of new air filtration units; and
- (e) Date Participant accepted delivery of air filter units.

**2.15 Recordkeeping and Reporting Requirements:**

**2.15.1** This Section 2.15.1 shall survive the termination of this Contract for three (3) years following the end date listed in Section 2.16. The Participant shall keep the following records from the beginning of operation of the equipment described in Exhibit A through the end of the term described in Section 2.16 and for three (3) years following the end date listed in Section 2.16. It is the responsibility of the Participant to maintain records adequate to document the subsequent information. The District may request these records at any time during the term of this Contract, including:

For Air Filtration Projects at Schools	For Composite Wood Product Projects at Schools
<ol style="list-style-type: none"> <li>1. Estimated number of hours of use, and people in the room during use.</li> <li>2. Statement of any performance issues that occurred with the funded equipment as well as maintenance issues.</li> </ol>	<ol style="list-style-type: none"> <li>1. Estimated number of hours of use, and people in the room during use.</li> <li>2. Statement of any performance issues that occurred with the funded equipment.</li> </ol>

2.15.2 The Participant will submit written documentation of performance towards the requirements outlined in Section 2.15.1 to the District by March 31<sup>st</sup> of each year until termination of this Contract. Noncompliance with the reporting requirements shall require on-site monitoring or inspection by District staff. The District may request additional performance documentation at its discretion.

2.15.3 If any of the events listed in this paragraph occur, the Participant must notify the District within thirty (30) days of the date the Participant knows, or should have known, that the event has occurred or is likely to occur:

- (i) The Participant suffers a catastrophic loss; or
- (ii) The Participant files for bankruptcy; or
- (iii) Any other event has occurred or is likely to occur that could impair the Participant's ability to perform the conditions of this Contract.

2.16 **Contract Term:** This Contract shall begin upon execution by all parties and terminate on **June 30, 2027**. No work including any related purchases may begin on this project until this Contract is executed by all parties. For this Contract, the timeframe indicated by the execution of this Contract and the aforementioned termination date shall serve as the Contract term including both the project completion and project implementation/life periods. Under no circumstance may the liquidation date be extended beyond one (1) year from the original date of Contract execution.

During this time period, the Participant is required to operate the equipment according to the terms of this Contract. By executing this Contract, the Participant agrees to operate the equipment according to the terms of this Contract and to cooperate with the District and CARB in implementation, monitoring, enforcement, or other efforts to assure the Program benefits are real, quantifiable, surplus, and enforceable.

### 3.0 General Terms and Conditions

- 3.1 This Contract will bind the successors of the District and Participant in the same manner as if they were expressly named.
- 3.2 **Prohibition on Emission Reduction Credits:** The receipt of funds under this Contract prohibits application for any form of emission reduction credit – for any pollutant – for the equipment described in Exhibit A for the life of the Contract term outlined in Section 2.16. This prohibition includes, but is not limited to all attainment, nonattainment, criteria and non-criteria pollutants, application for ERCs, Mobile Emission Reduction Credits (MERC) and/or Certificates of Advanced Placement. This prohibition extends to credits from all Air Quality Management or Air Pollution Control Districts.
- 3.3 **Voluntary Act:** The Participant's purchase of the equipment is a completely voluntary act and the District has not made representations or guarantees to the Participant regarding the equipment.
- 3.4 **Guarantees Regarding Equipment:** The District has made no representations or guarantees to the Participant regarding the quality, condition, or proposed use of the equipment funded under this Contract or the effects of such technology on the normal operations of the Participant.

- 3.5 **Amendment:** No amendment, alteration or variation of the terms of this Contract is valid unless made in writing and signed by all parties.
- 3.6 **Termination Requirements:**
- 3.6.1 The District may immediately suspend or terminate this Contract, in whole or in part, if it determines that there is an illegal or improper use of funds.
- 3.6.2 **30-Day Notice of Termination:** This Contract may be terminated by the District upon 30-day notice if the Participant fails to meet any of the obligations established in this Contract or outlined in the guidelines or the HSC.
- 3.6.3 **Immediate Termination:** The parties acknowledge that this Contract will be funded by incentive fund revenues being transferred to the District; however, the District may terminate this Contract if it does not receive all or a portion of the revenues, or funds are not specifically appropriated for this Contract in the District's final budget prior to the expiration of the Contract and any Contract extensions. If the District terminates this Contract under this paragraph, it will serve notice of the action on the Participant within ten (10) working days.
- 3.6.4 If the Contract is terminated, the Participant will refund the incentive paid by the District according to the following formula:
- $A = I * (L / C)$   
A = Amount Owed to the District  
I = Total Incentive Award  
C = Length of the Contract in Months  
L = Length of the Non-Performing Duration in Months
- The APCO may, at his or her discretion, waive the refund (if such does not violation any laws, regulations, or program guidelines) or allow the Participant an opportunity to cure its failure to meet the Contract obligations. Additionally, the District and/or CARB may seek all available remedies for breaches of any Contract provisions, CAP Incentives requirements, or HSC.
- 3.7 **Waiver of Claims:** Participant waives any claims against the District, CARB, Funding Partner(s), its officers, agents, employees, delegates or volunteers from damage or loss caused by:
- (i) Any suit or proceeding directly or indirectly attacking the validity of this Contract, or any part of this Contract.
- (ii) Any judgment or award declaring this Contract either void or voidable, or delaying the performance of any part of this Contract.
- 3.8 **Waiver of Agreement Provisions:** Waiver by either party of any default, breach or condition precedent will not be construed as waiver of any other default, breach or condition precedent or any other right under this Contract.
- 3.9 **Time:** Time is of the essence with respect to the timely performance of each provision of this Contract.
- 3.10 **Severability:** If any provision of this Contract is held invalid or unenforceable, its invalidity or unenforceability will not affect any other provisions of this Contract, and this Contract will be construed and enforced as if such provision had not been included.
- 3.11 **Venue and Choice of Law:** This Contract is executed in the County of Lake, California and will be governed by the laws of the State of California. Any action arising out of this Contract must be filed in a state court or federal court located or with jurisdiction in or for the County of Lake, California.
- 3.12 **Compliance with Laws and Regulations** The Participant shall observe and comply with all applicable federal, state and District statutes, ordinances, regulations, rules, directives, and laws. Throughout the

Contract term as specified in Section 2.16, projects must not be used to generate credits or compliance extensions, and must be excluded when determining regulatory compliance. This Contract shall be deemed to be executed within the State of California and construed in accordance with and governed by the laws of the State of California. If a provision of this Contract violates any applicable law or regulation, that provision will be stricken from the Contract, and all other provisions will remain in full force. Any action or proceeding arising out of this Contract shall be filed in a State court or federal court located or with jurisdiction in or for the County of Lake, California.

- 3.13 **Third Party Delegation:** No performance rendered or payment due under this Contract may be delegated or assigned without the written consent of all the parties hereto. If written consent is given, and the Participant assigns any of its rights or obligations under this Contract, all of the terms and conditions of this Contract shall apply to the Participant's assignee.
- 3.14 **Payments that Contravene the Law:** The District and CARB have no liability for payments that are found to contravene the law. Participant will reimburse the District for any payments made by the District to Participant and later determined to contravene federal, state or local laws and regulations.
- 3.15 **Status of Participant:** This Contract is only for the payment of incentive funds to offset the cost of the items identified in Exhibit A. Accordingly, Participant, its employees, consultants and subcontractors do not have any of the entitlements of a CARB, District, or Funding Partner employee. Participant is an independent contractor.
  - 3.15.1 **Direction of Third Parties:** If the Participant employs any third persons, these persons will be under the exclusive control of Participant. All terms of employment, including but not limited to hours, wages, working conditions, discipline, hiring, and discharging will be determined by Participant.
  - 3.15.2 **Right to Bind:** Neither the Participant nor its employees, subcontractors or consultants have the right to act on behalf of CARB or the District in any capacity, or to bind CARB or the District to any obligation.
  - 3.15.3 **Taxes:** Neither CARB nor the District will make any deductions or withholdings from the compensation paid to Participant. Participant must issue all forms required by federal and state laws for income and employment tax purposes for all of Participant's assigned personnel.
- 3.16 **Conflict of Interest:** No officer or employee of CARB or the District has any pecuniary interest, direct or indirect, in this Contract or the proceeds of the Contract. No officer or employee of Participant may serve on CARB or the District's governing body or hold any CARB or District position which by rule, practice, or action nominates, recommends, supervises or authorizes the development or execution of this Contract, or any payment to Participant.
- 3.17 **Indemnity:** Participant agrees to indemnify, defend (upon District's written request), protect, and hold harmless District and District's officers, employees, and agents against all liabilities, claims, demands, damages, and costs (including attorneys' fees, court costs, expert fees, and litigation costs through final appeal) that arise in any way from acts or omissions by Participant or Participant's officers, employees, or agents while performing under this Contract or which are related in any way to the equipment, including any and all liability for general, special, consequential, or other damages resulting from the use of the equipment by the Participant, for which financial assistance or other incentives are received from the District by the Participant. Participant's obligation under this section covers but is not limited to liabilities, claims, demands, damages, and costs arising from injury to, or death of, any person and from damage to, or destruction of, any property. Participant's obligation under this section will survive this Contract.
- 3.18 **Force Majeure:** If performance by CARB, the District, or the Participant of any of its obligations or undertakings under this Contract is interrupted or delayed by any occurrence not occasioned by the conduct of either party to this Contract, whether that occurrence is an act of God or public enemy, or whether that occurrence is caused by war, riot, storm, earthquake, or other natural forces, or by the acts



of anyone not a party to this Contract, then CARB, the District or the Participant may be either excused from any further performance or excused from any further performance for whatever period of time after the occurrence is reasonably necessary to remedy the effects of that occurrence at the election of CARB and the District.

**3.19 Non-Discrimination:** During the performance of this Contract, the Participant shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of sex, race, religious creed, color, national origin, ancestry, physical disability (including HIV and AIDS), mental disability, sexual orientation, medical condition, marital status, age (over 40) or allow denial of family-care leave, medical-care leave, or pregnancy-disability leave. The Participant shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. The Participant and its contractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a-f), set forth in Chapter 5 of Division 4 of title 2 of the California Code of Regulations, are incorporated into this Contract by reference and made a part hereof as if set forth in full. The Participant shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

**3.20** The Participant must disclose the value of any public incentive or grant received or applied for that directly reduces the project cost for the equipment listed in Exhibit A of this Contract except for tax credits and tax deductions. Such incentive funds may include but are not limited to other CAP Program funds and local, State and Federal funds. If the District discovers that the ~~Program~~ Participant has applied for or received undisclosed public incentive funds, the District may terminate this Contract and require that any funds paid under this Contract be returned to the District. An applicant who is found to have applied for or received incentive funds from another entity or program for the same project without disclosing that information as required by this Contract may be disqualified from funding for that project from all sources within the control of an the District or CARB. The District or CARB may also seek civil penalties for such non-disclosure.

**3.21 Entire Contract:** This Contract constitutes the entire Contract between the District and Participant. All parties revoke all prior or contemporaneous oral or written Contracts between them that are inconsistent with this Contract. In the event of a dispute between the parties regarding the Contract, this Contract will be deemed to have been drafted by the parties in equal parts so that no presumptions or inferences concerning its terms or interpretation may be construed against any party to this Contract. This Contract consists of the following parts:

- (i) Participant Contract
- (ii) Exhibit A – Equipment Information Form
- (iii) Exhibit B – Insurance Requirements
- (iv) Exhibit C – Debarment Certification
- (v) Exhibit D – Levine Act Disclosure Statement

**3.22 Notices:** Correspondence between the District and Participant should be addressed to the following:

To District	To Participant
Douglas Gearhart, APCO Lake County AQMD 2617 South Main St. Lakeport, CA 95453 Phone: (707) 263-7000 Fax (707) 263-0421 doug@lcaqmd.net	Rob Young Lake County Office of Education 1152 S. Main St. Lakeport, CA 95453 Phone: (707) 262-4140 Fax: (707) 263-0197 ryoung@lakecoe.org

The address and/or contacts may be changed by written notice to the other party. Such written notice may be given by mail, using the U.S. Postal Service, or personal service.

- 3.23 **Authority to Bind and Acknowledgement of Terms:** The undersigned representative of Participant has read and agrees to comply with all terms and conditions in this Contract and also affirmatively states that he or she has legal authority to bind Participant to the terms and conditions of this Contract; including the following Disclosure Agreement:

#### DISCLOSURE AGREEMENT

The undersigned representative of Participant affirmatively states that neither they nor any other representative of Participant will submit another application or sign another contract for the same Equipment described in Exhibit A with any other source of funds, including but not limited to other air districts or multidistrict funding under the Community Air Protection Incentives Program.

Any owner or owner's designee who is found to have submitted multiple applications or signed multiple contracts for the same Equipment will, at a minimum, be disqualified from funding for that Equipment from all sources, may be required to reimburse the public agencies for any monies received, and may also be banned from submitting future applications to any and all Program solicitations. In addition, if noncompliance or nonperformance under this agreement also constitutes a violation of the Health and Safety Code, including but not limited to the Community Air Protection Incentives Program and its implementing Guidelines, CARB and the District may levy fines and refer the violations for criminal enforcement.

The undersigned representative of Participant has read and agrees to comply with all terms and conditions in this Contract and also affirmatively states that he or she has legal authority to bind Participant to the terms and conditions of this Contract.

Executed at Lakeport, California, the month, day, and year first written above.

LAKE COUNTY AIR QUALITY  
MANAGEMENT DISTRICT

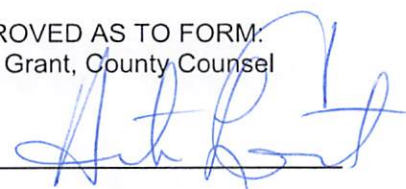
LAKE COUNTY OFFICE  
OF EDUCATION

\_\_\_\_\_  
Douglas Gearhart, APCO  
Lake County Air Quality  
Management District

\_\_\_\_\_  
Brock Falkenberg  
Lake County Office of Education

APPROVED AS TO FORM:  
Anita Grant, County Counsel

BY: \_\_\_\_\_



## EXHIBIT A

### Equipment Information Form

**Vocation(s)** (Please list all equipment uses): Office of Education

**Equipment:** ISO-Aire Filter Units

**Project Type:** School Filtration

**Project Location:** School Facilities: Lakeport Office, Hance School, Clearlake Creative School, Gymnasiums, and Evacuation Areas

#### Existing Equipment Information

N/A

#### New or Replacement Equipment Information

26 RSF3001 300cfm units  
1 RSF5001 500cfm units  
17 RSF10001 1000cfm units  
1 set of replacement HEPA filters for each unit  
4 sets of pre-filters for each unit

#### Eligible Costs

90% of total cost, including deliver, setup, startup, and sales tax.

## EXHIBIT B – INSURANCE REQUIREMENTS

### INSURANCE

The PARTICIPANT agrees to maintain any and all insurance required for the term of this Contract. Limits of liability and coverage details are pursuant to the DISTRICT's insurance requirements specification.

The following insurance coverage is required:

- ☒ COMMERCIAL/GENERAL LIABILITY
- ☐ BUSINESS AUTOMOTIVE LIABILITY
- ☒ PUBLIC ENTITIES/SELF-INSURED STATUS
- ☐ PROFESSIONAL LIABILITY INSURANCE
- ☒ WORKERS COMPENSATION and EMPLOYERS LIABILITY

Before commencement of work, the PARTICIPANT shall furnish the DISTRICT with certificate(s) of insurance or self-insurance and original endorsement(s) and insurance binder(s) affecting coverage required below. The certificates, endorsements, and binders for each insurance policy are to be signed by a person authorized by the insurer to affect coverage on its behalf. The certificates, endorsements, and/or binders are to be received and approved by the DISTRICT before work commences. The DISTRICT reserves the right to require complete, certified copies of all required insurance policies, at any time.

If the PARTICIPANT provides self-insurance, it shall, on intervals specified by the APCO, provide financial statements sufficiently detailed so as to allow the APCO to assess the PARTICIPANT's capability of providing such self-insurance. The APCO may reject self-insurance coverage where he/she finds that sufficient coverage will not be afforded to the DISTRICT. Any deductibles or self-insured retention must be declared on certificates of insurance and approved by the DISTRICT. At the option of the DISTRICT, either the insurer shall reduce or eliminate such deductibles or self-insured retention or procure a bond guaranteeing payment of losses related investigations, claims administration and defense expenses.

During the term of the Contract, the PARTICIPANT shall, at its sole expense, obtain primary insurance and maintain in full force and affect the type and limits of liability requirements as follows:

- I. A. **COMMERCIAL/GENERAL LIABILITY:** Bodily Injury and Property Damage for premises and operations; Personal Injury and Advertising for premises and operations; Independent Participants (if any basis); Incidental Contracts; Contractual Liability; and Products and Completed Operations.

"Claims made" policies are unacceptable.

Minimum Limits: \$1,000,000 combined single limit, on an occurrence policy form.

**BUSINESS AUTOMOBILE COVERAGE:** Protection against loss of a result of liability to others caused by an accident and resulting in bodily injury and/or property damage, arising out of the ownership or use of any automobile. If the PARTICIPANT has no owned automobiles, then only hired and non-owned automobile coverage are required.

Liability Minimum Limits: \$1,000,000 per occurrence for bodily injury or property damage combined single limit.

Comprehensive, Uninsured Motorist and Collision coverage for the replacement value of the vehicle which received grant funding.

- B. **Public Entities/Self-Insured Status:** The PARTICIPANT shall maintain status as a legally self-insured public entity for general liability and shall maintain a self-insured retention of \$300,000

per occurrence.

- II. **Workers' Compensation and Employers' Liability:** The PARTICIPANT shall carry full Workers' Compensation insurance coverage for all persons directly employed or volunteers, in carrying out the work under this Contract, in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any acts amendatory thereof. Employers' Liability statutory limits will apply. If the PARTICIPANT has no employees, no Workers' Compensation coverage is required. If the PARTICIPANT hires subcontractors to perform under this Contract, the PARTICIPANT shall assure that the subcontractor carries Workers' Compensation insurance for all of its employees, who are required to be covered by applicable law.
- III. **Notice of Cancellation:** Although it is the ultimate responsibility of the PARTICIPANT to notify the DISTRICT of insurance policy cancellation or change, each insurance policy shall be endorsed, and evidence of such endorsement shall be provided to the DISTRICT, that coverage not be suspended, voided, canceled, reduced in coverage or in limits, or material change in coverage, except after the insuring agency endeavors to mail a 30-day prior written notice to the DISTRICT.
- IV. **Additional Insured and Loss Payee:** It is mandatory that all the above insurance policies (except Workers' Compensation) include the DISTRICT as additional insured with endorsement and loss payee. The DISTRICT, its officials, trustees, agents, employees, and volunteers are to be covered as additional insured as respects liability arising out of activities performed by or on behalf of the PARTICIPANT.
- V. In addition, it is understood and agreed that the following be made a part of this Contract.
  - A. **Excess/Umbrella:** An excess policy or an umbrella policy (following form) may be utilized to meet the above-required limits of liability.
  - B. **Supplementary Payments:** The above-stated limits of liability coverage for Commercial/Comprehensive General Liability, and Business Automobile Liability assumes that the standard "supplementary payments" clause will pay in addition to the applicable limits of liability and that these supplementary payments are not included as part of the insurance limits of liability. If any of the policies indicate that defense costs are included in the general aggregate limit, then the general aggregate limits must be a multiple of the per occurrence limits.
  - C. **Program Participant's Insurance is Primary:** The PARTICIPANT's insurance coverage shall be primary insurance. Any insurance or self-insurance maintained by the DISTRICT, its officials, trustees, agents, employees or volunteers shall be excess to the PARTICIPANT's insurance and shall not contribute with it.
  - D. **Acceptability of Insurers:** Insurance is to be placed with admitted State of California insurers which have an A.M. Best's rating of no less than A: VII, or be an equivalent program of self-insurance.
  - E. **District Risk Manager Exceptions:** Any exceptions to the above insurance requirements are subject to the concurrence of the DISTRICT's Risk Manager.

## EXHIBIT C

### **DEBARMENT CERTIFICATION FORM**

The Participant certifies that, neither the Participant firm nor any owner, partner, director, officer, or principal of the Participant, nor any person in a position with management responsibility or responsibility for the administration of federal funds:

(a) Is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency;

(b) Has within a three-year period preceding this certification been convicted of or had a civil judgment rendered against it for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract (federal, state, or local); violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Is presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (b) above; or

(d) Has within a three-year period preceding this certification had one or more public transactions or contracts (federal, state, or local) terminated for cause or default.

The Participant further certifies that it shall not knowingly enter into any transaction with any subcontractor, material supplier, or vendor who is debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

By \_\_\_\_\_  
Authorized Signature for Participant

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Participant Firm Name and Type of Entity (*Corp., Partnership, Sole Proprietor*)

\_\_\_\_\_  
Address

\_\_\_\_\_  
City/State/Zip Code

\_\_\_\_\_  
Area Code/Telephone Number and E-Mail Address

## EXHIBIT D

### LEVINE ACT DISCLOSURE STATEMENT

California Government Code § 84308, commonly referred to as the "Levine Act," precludes an Officer of a local government agency from participating in the award of a contract if they received political contributions totaling more than \$250 in the 12 months preceding the contract award, and for three months following the final decision, from the contract recipient. This prohibition applies to contributions to the Officer, or received by the Officer on behalf of any other Officer, or on behalf of any candidate for office or on behalf of any committee. The Levine Act also requires disclosure of such contributions by a party to be awarded a specified contract.

Current members of the Board of Directors are:

Eddie "EJ" Crandell  
Jose "Moke" Simon  
Bruno Sabatier  
Jessica Pyska

1. Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$250 to any District Director(s) in the 12 months preceding the date of the issuance of this request for proposal or request for qualifications?

\_\_\_ YES \_\_\_ NO

If yes, please identify the Director(s): \_\_\_\_\_

2. Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contributions of more than \$250 to any District Director(s) in the three months following the award of the contract?

\_\_\_ YES \_\_\_ NO

If yes, please identify the Director(s): \_\_\_\_\_

Answering yes to either of the two questions above does not preclude the District from awarding a contract to your firm. It does, however, preclude the identified Director(s) from participating in the contract award process for this contract.

\_\_\_\_\_  
DATE

\_\_\_\_\_  
(SIGNATURE OF AUTHORIZED OFFICIAL)

\_\_\_\_\_  
(TYPE OR WRITE APPROPRIATE NAME, TITLE)

\_\_\_\_\_  
(TYPE OR WRITE NAME OF COMPANY)