



Regional Housing Authority of Sutter and Nevada Counties
1455 Butte House Road, Yuba City, CA 95993
Phone: (530) 671-0220, Toll Free: (888) 671-0220
TTY: (866) 735-2929, Fax: (530) 674-8505

TO: General Contractor
FROM: Maria Conrique, Program Assistant
DATE: 12/02/2015
SUBJECT: Butte County Housing Rehabilitation Program

As a General Contractor interested in home rehabilitations with the County of Butte, this is a notification that sealed bids are currently being solicited to supply labor, equipment, materials and related services to rehabilitate the home at the following address:

5954 Forbestown Road, Forbestown, CA 95941

Enclosed you will find specifications for the home. Bid packets will be distributed at the on-site walk-through, which will be held as follows:

Tuesday, December 8, 2015 @ 12:30pm

Each winning bidder must have a valid General Contractor's license and active insurance for liability and workers compensation.

Bids are to be mailed, faxed to (530)674-8505, or submitted by hand no later than **3:00pm on Monday, December 21, 2015** to the Housing Authority Planning and Community Development Department located at 1455 Butte House Road, Yuba City, CA, 95993. The sealed envelope is to be marked as follows:

County of Butte Home Rehabilitation

Attn: Larry Tinker

Bid for Property: 5954 Forbestown Road, Forbestown, CA 95941

Be advised that the homeowner will freely select the General Contractor to perform the rehabilitation work as described in the Scope of Work and/or specifications and plans, and the owner and the Contractor understand the final Contractor selection will be subject to comparison with the owner's in-house estimate.



The Housing Authority is an equal opportunity employer and housing provider.



EXHIBIT A
WORK WRITE-UP
COVER SHEET

☐ Bid Accepted

☐ Bid Not Accepted

Date: December 8, 2015

Time: 12:30pm

Bid Due Date: December 21, 2015 at 3:00pm

Inspector: Larry Tinker

OWNER(S) NAME: Carolyn Reynolds

ADDRESS: 5954 Forbestown Road, Forbestown, CA 95941

TELEPHONE: 530-675-9672

CONTRACTOR'S NAME: _____

ADDRESS: _____

TELEPHONE: _____

FAX: _____

LICENSE #: _____

WORK WRITE-UP

COUNTY OF BUTTE HOUSING REHABILITATION PROGRAM

Carolyn Reynolds
5954 Forbestown Road
Forbestown, CA 95941
(530) 675-9672

Prepared by: Larry Tinker
Rehabilitation Specialist
Regional Housing Authority
of Sutter & Nevada Counties

HEALTH AND SAFETY

- 1 **Roofing:** Remove existing roofing material down to sheathing. Remove corrugated fiberglass from back porch. Install 5/8" BCX or btr. plywood sheathing on porch. Install new colored metal roofing on home, Owners choice of standard pattern and color. Installation shall include matching fasteners and trim and all necessary jacks to complete as per manufactures recommended installation. Install new prefinished seamless fascia gutter and downspouts on all eaves, Owner's choice of color.

\$ _____

- 2 **Dryer outlet:** Correct the installation of the 240V dryer outlet to meet current California Residential Building Code.

\$ _____

- 3 **Toilet:** Remove toilet and install a new wax ring before re-installing toilet. Shim toilet if necessary to insure firm fit to floor.

\$ _____

- 4 **Kitchen:** Remove damaged sink & counter top. Install new laminate counter tops, Owner's choice of pattern and color. Install a new double compartment sink and a new faucet. Faucet shall be Moen Chateau or preapproved equal, installation shall include all visible plumbing. Sink shall be 8" depth, stainless or porcelain steel, Owner's choice. Install new 1/2 hp garbage disposal.

\$ _____

Total Health and Safety Bid

\$ _____

BUILDING CODE

No items

Total Building Code Bid

\$0.00

WEATHERIZATION & ENERGY CONSERVATION

No items

Total Weatherization Bid

\$0.00

ACCESSIBILITY

No items

Total Accessibility Bid

\$0.00

GENERAL PROPERTY IMPROVEMENTS

- 5 **Baseboard:** Install baseboard in living room, hall, & kitchen. New base shall match existing.

\$ _____

- 6 **Garbage disposal:** Replace garbage disposal with new 3/4 hp disposal.

\$ _____

- 7 **Entry floor:** Install ceramic tile in entry. Owner to supply the tile & grout.

\$ _____

Total General Property Improvements Bid

\$ _____

PEST REPORT

- 11A Replace siding as recommended in Pest Report. Siding & trim shall match existing on home. Prime and paint new siding & trim to match.

\$ _____

- 11B Follow recommendation of Pest Report

\$ _____

- 11C Follow recommendation of Pest Report

\$ _____

- 11D Follow recommendation of Pest Report

\$ _____

Contractor is responsible for a clear pest report. Any cost for treatment or inspections shall be shown here.

\$ _____

Total Pest Report Bid

\$ _____

LEAD PAINT REPORT

Review the findings of the Lead Risk Assessment Report and use lead safe work practices for renovation as required by Federal, State and Local guidelines. The contractor performing the abatement must have all required certifications and licenses to perform lead abatement and must have a clearance test performed. The General Contractor must furnish copies of their or their sub-contractors certifications and list the name and license number of said sub-contractor on the sub-contractor list. Any additional cost incurred for abatement or testing must be shown here.

\$0.00

ASBESTOS REPORT

Review the findings of the Asbestos Risk Assessment Report and abate any findings as required by Federal, State and Local guidelines. The contractor performing the abatement must have all required certifications and licenses to perform asbestos abatement and must have a clearance test performed. The General Contractor must furnish copies of their or their sub-contractors certifications and list the name and license number of said sub-contractor on the sub-contractor list. Any additional cost incurred for abatement must be shown here.

\$0.00

PERMITS AND FEES

CONTRACTORS ARE RESPONSIBLE FOR ALL PERMITS, IMPACT FEES, BONDS, BLUEPRINTS, PEST CLEARANCE, LEAD AND/OR ASBESTOS CLEARANCE, ARCHITECTURAL & ENGINEERING FEES.

\$ _____

TOTAL CONTRACTOR BID

\$ _____

ALTERNATES

- 1 **Kitchen lights:** Install LED conversion kits in recessed lights in kitchen ceiling.

\$ _____

- 2 **Exterior light:** Remove existing mercury vapor light from gable end of house and replace with an LED wall pack with an equal light output. Install a timer with over ride switch in house to control new light.

\$ _____

- 3 **Drywall:** Repair drywall around chimney pipe and texture to match. Owner will paint.

\$ _____

NOTE: ANY CHANGES TO THE SPECIFICATIONS WILL BE DONE IN WRITING BY THE HOUSING AUTHORITY'S OFFICE ONLY. Direct all construction questions concerning the specifications to our Rehabilitation Specialist.

I have reviewed and approved the attached Specifications and write-up.
By signing below I, the homeowner, understands that any changes or additions to the above construction Write Up shall be done in writing by way of Change Order and must be signed by the Home Owner, Contractor and the Housing Authority Construction Specialist.

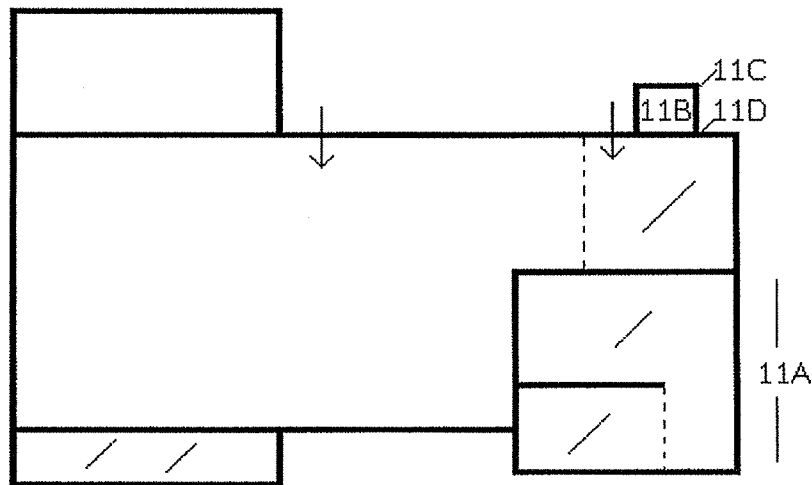
Owner _____ Date: _____

Owner _____ Date: _____

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

Building No. 594	Street Forbestown Rd	City Forbestown	Zip 95941	Date of Inspection 10/28/15	Number of Pages 7
Yuba City Pest Control, Inc. 1469 Butte House Rd., Suite F Yuba City CA 95993 Tel 530-755-2555 Fax 530-755-4672 Alt 530-300-0640 ycpctermite@att.net				Report #: 11066 Registration #: PR5162 Escrow #: ☐ CORRECTED REPORT	
Ordered by: Regional Housing Authority Attn: Sonja 1445 Butte House Rd Yuba City, CA 95993		Property Owner and/or Party of Interest: Carolyn Reynolds 594 Forbestown Rd Forbestown CA 95941		Report sent to: Regional Housing Authority Attn: Sonja 1445 Butte House Rd Yuba City, CA 95993	
COMPLETE REPORT ☒ LIMITED REPORT ☐ SUPPLEMENTAL REPORT ☐ REINSPECTION REPORT ☐					
GENERAL DESCRIPTION: One story, single family dwelling, occupied & furnished.				Inspection Tag Posted: ENTRANCE TO SUBAREA Other Tags Posted:	
An inspection has been made of the structure(s) shown on the diagram in accordance with the Structural Pest Control Act. Detached porches, detached steps, detached decks and any other structures not on the diagram were not inspected.					
Subterranean Termites ☒ Drywood Termites ☐ Fungus / Dryrot ☒ Other Findings ☐ Further Inspection ☐ If any of the above boxes are checked, it indicates that there were visible problems in accessible areas. Read the report for details on checked					

Diagram Not To Scale



Inspected By: Dale Brookins

State License No. OPR 10895

Signature:

Dale Brookins

You are entitled to obtain copies of all reports and completion notices on this property reported to the Structural Pest Control Board during the preceding two years. To obtain copies contact: Structural Pest Control Board, 2005 Evergreen Street, Suite 1500, Sacramento, California, 95815-3831.

NOTE: Questions or problems concerning the above report should be directed to the manager of the company. Unresolved questions or problems with services performed may be directed to the Structural Pest Control Board at (916) 561-8708, (800) 737-8188 or www.pestboard.ca.gov.

43M-41 (Rev. 10/01)

Yuba City Pest Control, Inc.

Page 2 of inspection report

594 Forbestown Rd
Address of Property Inspected

Forbestown
City

CA 95941
State Zip

Stamp No. 10/28/15
Date of Inspection

11066
Co. Report No.

Escrow No.

WHAT IS A WOOD DESTROYING PEST & ORGANISM INSPECTION REPORT? READ THIS DOCUMENT. IT EXPLAINS THE SCOPE AND LIMITATIONS OF A STRUCTURAL PEST CONTROL INSPECTION AND A WOOD DESTROYING PEST & ORGANISM INSPECTION REPORT.

A Wood Destroying Pest & Organism Inspection Report contains findings as to the presence or absence of evidence of wood destroying pests and organisms in visible and accessible areas and contains recommendations for correcting any infestations or infections found. The contents of Wood Destroying Pest & Organism Inspection Reports are governed by the Structural Pest Control Act and regulations.

Some structures do not comply with building code requirements or may have structural, plumbing, electrical, mechanical, heating, air conditioning or other defects that do not pertain to wood destroying organisms. A Wood Destroying Pest & Organism Inspection Report does not contain information on such defects, if any, as they are not within the scope of the licenses of either this company, or it's employees.

The Structural Pest Control Act requires inspection of only those areas which are visible and accessible at the time of inspection. Some areas of the structure are not accessible to inspection, such as the interior of hollow walls, spaces between floors, areas concealed by carpeting, appliances, furniture or cabinets. Infestations or infections may be active in these areas without visible and accessible evidence. If you desire information about areas that were not inspected, a further inspection may be performed at an additional cost. Carpets, furniture or appliances are not moved and windows are not opened during a routine inspection.

The exterior Surface of the roof was not inspected. If you want the water tightness of the roof determined, you should contact a roofing contractor who is licensed by the Contractor's State License Board.

This company does not certify or guarantee against any leakage, such as (but not limited to) plumbing, appliances, walls, doors, windows, any type of seepage, roof or deck coverings. This company renders no guarantee, whatsoever, against any infection, infestation or any other adverse condition which may exist in such areas or may become visibly evident in such area after this date. Upon request, further inspection of these areas would be performed at an additional charge.

In the event damage or infestation described herein is later found to extend further than anticipated, our bid will not include such repairs. **OWNER SHOULD BE AWARE OF THIS CLOSED BID WHEN CONTRACTING WITH OTHERS OR UNDERTAKING THE WORK HIMSELF/HERSELF.**

If requested by the person ordering this report, a re-inspection of the structure will be performed. Such requests must be within four (4) months of the date of this inspection. Every re-inspection fee amount shall not exceed the original inspection fee.

Wall paper, stain, or interior painting are excluded from our contract. New wood exposed to the weather will be prime painted, only upon request at an additional expense.

This company will reinspect repairs done by others within four months of the original inspection. A charge, if any, can be no greater than the original inspection fee for each reinspection. The reinspection must be done within ten (10) working days of request. The reinspection is a visual inspection and if inspection of concealed areas is desired, inspection of work in progress will be necessary. Any guarantees must be received from parties performing repairs.

"NOTICE: Reports on this structure prepared by various registered companies should list the same findings (i.e. termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary from company to company. You have a right to seek a second opinion from another company."

This Wood Destroying Pest & Organisms Report DOES NOT INCLUDE MOLD or any mold like conditions. No reference will be made to mold or mold-like conditions. Mold is not a Wood Destroying Organism and is outside the scope of this report as defined by the Structural Pest Control Act. If you wish your property to be inspected for mold or mold like conditions, please contact the appropriate mold professional.

Yuba City Pest Control, Inc.

Page 3 of 7 of Standard Inspection Report

594 Forbestown Rd
Address of Property Inspected

Forbestown
City

CA
State

95941
Zip

Stamp No. 10/28/15
Date of Inspection

11066
Co. Report No.

Escrow No.

NOTE: THE FOLLOWING AREAS, WHEN THEY EXIST, ARE CONSIDERED INACCESSIBLE FOR INSPECTION: THE INTERIORS OF HOLLOW WALLS AND ALL ENCLOSED SPACES BETWEEN A FLOOR OR PORCH DECK AND THE CEILING OR SOFFIT BELOW; AREAS BETWEEN ABUTTING/ATTACHED ROW HOUSES, TOWNHOUSES, CONDOMINIUMS AND SIMILAR STRUCTURES; PORTIONS OF THE ATTIC CONCEALED OR MADE INACCESSIBLE BY INSULATION; PORTIONS OF THE ATTIC CONCEALED OR MADE INACCESSIBLE BY DUCTING; PORTIONS OF THE ATTIC OR ROOF CAVITY CONCEALED DUE TO AN INADEQUATE CRAWL SPACE; THE INTERIORS OF BOXED EAVES; EAVES CONCEALED BY PATIO COVERS OR OTHER ABUTMENTS; PORTIONS OF THE SUBAREA CONCEALED OR MADE INACCESSIBLE BY INSULATION; PORTE COCHERES; INCLOSED BAY WINDOWS; AREAS BENEATH WOOD FLOORS OVER CONCRETE; AREAS CONCEALED BY BUILT-IN CABINET WORK; AREAS CONCEALED BY FLOOR COVERINGS, SUCH AS WALL-TO-WALL CARPETING, LINOLEUM, CERAMIC TILE, ETC.; AND AREAS CONCEALED BY "BUILT-IN" APPLIANCES.

NOTE: THE FOLLOWING AREAS, WHEN THEY EXIST, ARE CONSIDERED INACCESSIBLE FOR INSPECTION: AREAS CONCEALED BY INTERIOR FURNISHINGS; AREAS CONCEALED BY FLOOR COVERINGS, SUCH AS AREA RUGS, THROW RUGS, BATH AND KITCHEN MATS, ETC.; AREAS CONCEALED BY "FREE STANDING" APPLIANCES; AREAS CONCEALED BY STORAGE; AREAS CONCEALED BY HEAVY VEGETATION; AND AREAS WHERE LOCKS PREVENTED ACCESS. THESE AREAS WILL BE INSPECTED FOR A FEE, IF THEY ARE MADE ACCESSIBLE AT THE OWNER'S EXPENSE. A SUPPLEMENTAL REPORT WILL BE ISSUED AND ANY FINDINGS AND RECOMMENDATIONS WILL BE LISTED ALONG WITH ESTIMATES FOR REPAIR AND/OR TREATMENT, IF WITHIN THE SCOPE OF THIS COMPANY'S OPERATIONS. NO OPINION IS RENDERED CONCERNING CONDITIONS IN THESE AREAS AT THIS TIME.

NOTE: INSPECTIONS ARE MADE AND REPORTS ARE ISSUED ON THE BASIS OF WHAT WAS VISIBLE AND ACCESSIBLE AT THE TIME OF THE INSPECTION. THE ABSENCE OF VISIBLE EVIDENCE OF WOOD DESTROYING ORGANISMS IN THE VISIBLE AND ACCESSIBLE PORTIONS OF THE STRUCTURE IS NO ASSURANCE THAT WOOD DESTROYING ORGANISMS ARE NOT PRESENT IN INACCESSIBLE AREAS NOR THAT FUTURE INFESTATIONS WILL NOT OCCUR. THEREFORE, WE DO NOT ASSUME ANY RESPONSIBILITY FOR THE PRESENCE OF WOOD DESTROYING ORGANISMS, OR DAMAGE DUE TO SUCH ORGANISMS, IN AREAS THAT WERE NOT VISIBLE AND ACCESSIBLE AT THE TIME OF THE INSPECTION OR THAT MAY OCCUR IN THE FUTURE.

NOTE: THE EXTERIOR AREAS OF THIS STRUCTURE WERE VISUALLY INSPECTED FROM THE GROUND LEVEL. AREAS OF THE EXTERIOR THAT EXHIBITED VISIBLE SIGNS OF INFESTATION, INFECTION OR DAMAGE FROM SAME WILL BE DESCRIBED IN THE BODY OF THIS REPORT.

NOTE: IF ANY INFESTATION, INFECTION OR DAMAGE IS DISCOVERED IN A CONCEALED AREA DURING THE COURSE OF PERFORMING ANY RECOMMENDATION IN THIS REPORT, THIS COMPANY WILL ISSUE A SUPPLEMENTAL REPORT. THIS COMPANY IS NOT RESPONSIBLE FOR CONTROLLING SUCH INFESTATIONS OR INFECTIONS NOR FOR REPAIRING SUCH DAMAGE. IF THE ADDITIONAL WORK REQUIRED IS WITHIN THE SCOPE OF THIS COMPANY'S OPERATIONS. A COST ESTIMATE WILL BE PROVIDED WITH THE SUPPLEMENTAL REPORT.

NOTE: THE OWNER OF THIS PROPERTY HAS CERTAIN RESPONSIBILITIES REGARDING THE NORMAL MAINTENANCE THAT PERTAINS TO THE DETERRENCE OF WOOD DESTROYING ORGANISMS. THESE NORMAL MAINTENANCE PROCEDURES INCLUDE, BUT ARE NOT LIMITED TO: MAINTENANCE OF THE ROOF, GUTTERS, AND DOWNSPOUTS; CAULKING AROUND DOOR, WINDOWS, VENTS TUB AND SHOWER ENCLOSURES; KEEPING SOIL LEVELS BELOW THE TOP OF THE FOUNDATIONS;

Yuba City Pest Control, Inc.

Page 4 of 7 of Standard Inspection Report

594 Forbestown Rd
Address of Property Inspected

Forbestown
City

CA
State

95941
Zip

Stamp No. 10/28/15
Date of Inspection

11066
Co. Report No.

Escrow No.

KEEPING STORED ITEMS (INCLUDING FIREWOOD) AT LEAST TWELVE (12") INCHES AWAY FROM THE STRUCTURE; ADJUSTING SPRINKLERS SO THAT THEY DO NOT SPRAY ONTO THE STRUCTURE; PROHIBITING SOIL TO CONTACT THE WOOD COMPONENTS OF THE STRUCTURE; AND PREVENTING VEGETATION OR OTHER ITEMS FROM BLOCKING VENTS.

NOTE: THE EXTERIOR SURFACE OF THE ROOF HAS NOT BEEN INSPECTED. IF YOU WANT THE WATER TIGHTNESS OF THE ROOF DETERMINED, YOU SHOULD CONTACT A ROOFING CONTRACTOR WHO IS LICENSED BY THE CONTRACTOR'S STATE LICENSE BOARD.

This property was not inspected for the presence or absence of health related molds or fungi. By California law, we are neither qualified, authorized nor licensed to inspect for health-related molds or fungi. If you desire information about the presence or absence of health-related molds or fungi, you should contact an industrial hygienist.

Molds, sometimes called mildew, are not wood-destroying organisms. Branch 3 licensees do not have a duty under the Structural Pest Control Act and related regulations to classify molds as harmful to human health or not harmful to human health. This does not modify the Structural Pest Control Act or related regulations. This statement is not being provided to you for informational purposes.

NOTE: THIS IS A SEPARATED REPORT WHICH IS DEFINED AS SECTION I/SECTION II CONDITIONS EVIDENT ON THE DATE OF THE INSPECTION. SECTION I CONTAINS ITEMS WHERE THERE IS VISIBLE EVIDENCE OF ACTIVE INFESTATION, INFECTION OR CONDITIONS THAT HAVE RESULTED IN OR FROM INFESTATION OR INFECTION BUT WHERE NO VISIBLE EVIDENCE OF SUCH WAS FOUND. FURTHER INSPECTION ITEMS ARE DEFINED AS RECOMMENDATIONS TO INSECT AREAS WHICH DURING THE ORIGINAL INSPECTION DID NOT ALLOW THE INSPECTOR ACCESS TO COMPLETE THE INSPECTION AND CANNOT BE DEFINED AS SECTION I OR SECTION II.

NOTE:

THE SUBFLOORING WAS FOUND TO BE INACCESSIBLE FOR PHYSICAL INSPECTION DUE TO INSULATION. IT IS IMPRACTICAL TO REMOVE THE INSULATION AT THIS TIME. NO VISIBLE SIGNS OF INFESTATION OR INFECTION ARE VISIBLE. IF INTERESTED PARTIES ARE CONCERNED, AN INSPECTION WILL BE MADE UPON REMOVAL OF THE INSULATION AND A SUPPLEMENTAL REPORT WILL BE ISSUED LISTING ANY FINDINGS AND RECOMMENDATIONS ALONG WITH ESTIMATES FOR REPAIR AND/OR TREATMENT, IF WITHIN THE SCOPE OF THIS COMPANY'S OPERATIONS.

NOTE: THIS FINDING/RECOMMENDATION IS NEITHER SECTION I NOR SECTION II. IT IS BEING PROVIDED FOR INFORMATION ONLY.

FINDING:11A

Fungus has damaged wood siding at/in exterior.

NOTE: THIS FINDING/RECOMMENDATION IS SECTION I.

Yuba City Pest Control, Inc.

Page 5 of 7 of Standard Inspection Report

594 Forbestown Rd
Address of Property Inspected

Forbestown CA 95941
City State Zip

Stamp No. 10/28/15 Co. Report No. 11066 Escrow No.
Date of Inspection

RECOMMENDATION:

Remove the fungus damaged wood. If no further damage is exposed, replace the fungus damaged wood with new material.

NOTE:

THE OWNER SHOULD EMPLOY THE SERVICES OF A LICENSED CONTRACTOR OR OTHER APPROPRIATELY SKILLED TRADES-PERSON TO PERFORM THE WORK IN THE FINDING/RECOMMENDATION ABOVE. THIS FIRM DECLINES TO SUBMIT A BID OR ESTIMATE FOR THIS FINDING/RECOMMENDATION.

FINDING:11B

Fungus has damaged wood members at/in water heater closet.

NOTE: THIS FINDING/RECOMMENDATION IS SECTION I.

RECOMMENDATION:

Remove the fungus damaged wood. If no further damage is exposed, replace the fungus damaged wood with new material.

NOTE:

THE OWNER SHOULD EMPLOY THE SERVICES OF A LICENSED CONTRACTOR OR OTHER APPROPRIATELY SKILLED TRADES-PERSON TO PERFORM THE WORK IN THE FINDING/RECOMMENDATION ABOVE. THIS FIRM DECLINES TO SUBMIT A BID OR ESTIMATE FOR THIS FINDING/RECOMMENDATION.

FINDING:11C

Evidence of subterranean termites noted at/in water heater closet.

NOTE: THIS FINDING/RECOMMENDATION IS SECTION I.

RECOMMENDATION:

Remove accessible termite shelter tubes.

RECOMMENDATION:

Chemically treat the soil at all termite entry points in the entire structure with an approved termiticide for the control of subterranean termites.

FINDING:11D

Subterranean termites have damaged wood members at/in water heater closet.

Yuba City Pest Control, Inc.

Page 6 of 7 of Standard Inspection Report

594	Forbestown Rd	Forbestown	CA	95941
Address of Property Inspected		City	State	Zip
Stamp No.	10/28/15	11066		
	Date of Inspection	Co. Report No.	Escrow No.	

NOTE: THIS FINDING/RECOMMENDATION IS SECTION I.

RECOMMENDATION:

Remove the damaged wood member(s). Replace the damaged wood members with new material. See recommendations in this report for the control of subterranean termites.

NOTE:

THE OWNER SHOULD EMPLOY THE SERVICES OF A LICENSED CONTRACTOR OR OTHER APPROPRIATELY SKILLED TRADES-PERSON TO PERFORM THE WORK IN THE FINDING/RECOMMENDATION ABOVE. THIS FIRM DECLINES TO SUBMIT A BID OR ESTIMATE FOR THIS FINDING/RECOMMENDATION.

GENERAL NOTES:

THANK YOU FOR CALLING YUBA CITY PEST CONTROL. SHOULD YOU HAVE ANY QUESTIONS REGARDING THIS REPORT, PLEASE CALL THE OFFICE @ 530-755-2555, DALE @ 530-300-0640

If you would like information regarding our Pest Control Program, which will protect your home or business against infestations of ants, cockroaches, fleas, mice, rats and other pests. Please call for a free estimate. Ph (530)755-2555

"Thank you for selecting our company to perform a structural pest control inspection on your property. Our inspectors have determined that your property will benefit from the application of a chemical commonly used for structural pest control. In accordance with the laws and regulations of the State of California, we are required to provide you and your occupants with the following information prior to any application of chemicals to such property. Please take a few moments to read and become familiar with the content.

State law requires that you be given the following information:

"CAUTION - PESTICIDES ARE TOXIC CHEMICALS. Structural Pest Control Operators are licensed and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the California Department of Food and Agriculture and the United States Environmental Protection Agency.

Registration is granted when the state finds that based on scientific evidence, there are no appreciable risks weighted by the benefits. The degree of risk depends on the degree of exposure, so exposure should be minimized."

"If within 24 hours following application, you experience symptoms similar to common seasonal illness comparable to the flu, contact your physician or poison control center and your pest control operator immediately."

Yuba City Pest Control, Inc.

Page 7 of 7 of Standard Inspection Report

594	Forbestown Rd	Forbestown	CA	95941
Address of Property Inspected		City	State	Zip
Stamp No.	10/28/15 Date of Inspection	11066 Co. Report No.	Escrow No.	

For further information, contact any of the following:

CALIFORNIA COUNTY HEALTH OFFICERS:

BUTTE: 530-534-4581 POISON CONTROL CENTER:
1-800-523-2222 NEVADA: 530-265-1450

CALIFORNIA AGRICULTURAL COMMISSIONERS:

PLACER: 530-823-4465	BUTTE: 530-538-7381
SACRAMENTO: 916-366-2174	NEVADA: 530-273-2648
SUTTER: 530-822-7215	PLACER: 530-889-7372
YOLO: 530-666-8649	SACRAMENTO: 916-366-2003
COLUSA: 530-458-0395	COLUSA: 530-458-0580
YUBA CO.: 530-749-6366	YOLO: 530-666-8140
YUBA: 530-749-5400	

CHEMICALS: TERMIDOR SC FIPRONIL	EPA# 432-901
TENGARD PERMETHRIN	EPA# 70506-6
TIM-BOR SP OR D DISODIUM OCTABORATE	EPA# 1624-39
COPPER GREEN COPPER NAPHTHENATE	EPA# 66591-1
TERMIDOR HE FIPRONIL	EPA# 7969-329

Yuba City Pest Control
Estimate and Work Authorization Agreement

Purchaser CAROLYN REYNOLDS Telephone _____
Mailing Address _____
Job Address 594 FORBESTOWN RD. FORBESTON CA 95941
Structure(s) Inspected see report
Areas Not Covered By This Agreement see report
Inspection Date 10-28-15

The inspection report of the company, Yuba City Pest Control dated, 10-28-15 is incorporated herein by reference as though fully set forth.

Yuba City Pest Control will complete all items listed below in the Itemization of Recommended Work for a total sum of \$ 1194.00. This total amount is due and payable upon completion of repair work and/or chemical application.

<u>ITEMIZATION OF RECOMMENDED WORK</u>	<u>PRICE</u>
1. <u>Treat soil at subarca foundation, pierst plumbing.</u>	_____
2. <u>Treat soil at exterior foundations.</u>	_____
3. <u>Drill & treat soil at adjacent concrete</u>	_____
4. _____	_____
5. _____	_____
	Total Price: \$ <u>1194.00</u>

The Company Agrees

Yuba City Pest Control for one year from the date of completion, guarantees against any live infestations, that may occur, and will be treated at no cost to Purchaser. We assume no responsibility for present or future damage to property or contents. We will not be responsible for work performed by others.

Insects listed below will only be guaranteed if so marked with a yes.

yes Subterranean Termites

no Drywood Termites

no Other Insects

no Other _____

Purchaser _____ Date: _____

Inspected By: Dale Brinkins License # 0PR10895

NOTICE: YOU, THE PURCHASER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION.

WORK WRITE-UP CONDITIONS

This Work Write-Up is based on the Program Property Rehabilitation Standards, Standard Specifications and Rehabilitation as specified by the property owner(s) hereof:

All construction work shall be performed according to the Uniform Building, Plumbing, and Mechanical Codes, the Zoning and Electrical Codes, and all applicable requirements. Where applicable, work shall be in accordance with the lead base paint warning regulation and the cost effective energy conservation standards.

1. All construction work shall be inspected and approved by the Department of Building and Safety Inspectors, property owner(s) and the program Rehabilitation Specialist.
2. The awarded Contractor shall be responsible for completion of each item specified in this Work Write-Up. Any changes shall be authorized only by the initiation and execution by the owner(s) and Contractor on a formal Change Order, which must be approved by the lending organization.
3. The Contractor shall verify, on job site, all quantities, measurements or the dimensions, conditions, plans and working drawings before submitting this bid. There will be no Change Order to prices based on mistaken quantity count, measurements or dimensions.
4. The Contractor shall immediately notify (verbally and in writing) the Rehabilitation Specialist of any discrepancies on the plans, working drawings, Work Write-Up, and the measurements or dimensions. The Contractor shall be held responsible for all such verifications..
5. The Contractor shall provide and install all necessary bracing to support and maintain the existing construction in a safe and undamaged condition throughout all phases of demolition, construction and/or reconstruction.
6. The Contractor shall take any and all precautions necessary to ensure that fixtures and materials, which are temporarily removed during any phase of construction, are protected from damages, vandalism and/or theft. Damage to property caused by the Contractor shall be repaired or replaced by the Contractor at his/her own expense.
7. There have been no soil tests taken on this site and therefore, the lending agency is not warranting or guaranteeing any responsibility regarding the bearing capacity of the soil and whether or not it is sufficient to support the structure and design.
8. The Contractor shall be fully responsible for obtaining all necessary permits and licenses as required by the Department of Building and Safety of the City/County.
9. Color(s), type, model, style, finish and manufacturer of all fixtures, appliances, hardware, and all other products used in the rehabilitation work shall be approved and/or selected by the property owner(s), and shall be standard in nature unless the owner(s) requests custom items at the time the Contractor prepares and submits his/her bid.

10. The discarded floor covering, old doors, lumber, plumbing fixtures, roofing, debris and other construction debris shall be removed from the job site daily by the Contractor. The property shall be left in a clean and safe condition at the completion of the job by the Contractor.
11. No work shall commence until a Notice to Proceed is executed.
12. All work completed on the job site to be per manufacturer's specifications and Standard Trade Practice.
13. All interior closets and storage areas shall be painted with interior painting unless otherwise noted. If plans are required for the project, Contractor shall furnish all required plans and engineering not furnished by the owner(s).
14. All plumbing fixtures shall comply with all water saving codes..
15. Whenever painted surfaces are disturbed, the Contractor shall comply with all Federal, State and local laws pertaining to Lead Based Paint Construction Work.
16. No work shall be commenced until a written Notice to Proceed order is executed.
17. Lead based paint is prohibited.
18. Special attention shall be given to the incorporation of cost effective energy standards pursuant to Title 24.
19. Contractor must file the Notice of Completion in the applicable county. Retention will be held 35 days after proof that the Notice of Completion has been filed.

I, _____ with _____ have
(Contractor) (Company)
reviewed and do hereby accept the aforementioned conditions to the Work Write-Up for
the above-named property.

Contractor's Signature: _____ Date: _____

EXHIBIT B

STANDARD CONTRACT LANGUAGE ALL CONTRACTS AND SUBCONTRACTS (Equal Opportunity Language)

1. The Civil Rights, HCD, Age Discrimination, and Rehabilitation Acts Assurance: During the performance of this Contract, the Contractor assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or subjected to discrimination based on race, color, national origin, sex, age or handicap, under any program or activity funded by this Contract, as required by Title VI of the Civil Rights Act of 1964, Title I of the Housing and Community Development Act of 1974 as amended, the Age Discrimination Act of 1975, Rehabilitation Act of 1973 and the Federal Americans with Disability Act, and all implementing in regulations.
2. The Training, Employment and Contracting Opportunities for Business and Lower Income Persons Assurance of Compliance:
 - a. The work to be performed under this Contract is on a project assisted basis under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C., 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns that are located in, or owned in substantial part, by persons residing in the area of the project.
 - b. The parties to this Contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued there under prior to the execution of this Contract. The parties to this Contract certify and agree that they are under no contractual or other disability that would prevent them from complying with these requirements.
 - c. The Contractor will send to each labor organization or representative of workers with which he/she has a collective bargaining agreement or other contact or understanding, if any, a notice advertising the said labor organization or worker's representative of his/her commitments under Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
3. State Nondiscrimination Clause:
 - a. During the performance of this Contract, Contractor and its sub-contractors shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age (over 40) or sex. Contractors and sub-contractors shall insure that the evaluation and treatment of their employees and

applicants for employment are free of such discrimination. Contractors and sub-contractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 13900 et seq.) and the applicable regulations promulgated there under (California Administrative Code, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the California Administrative Code are incorporated into this Contract by reference and made a part hereof as is set forth in full. Contractor and its sub-contractors shall be given written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

- b. This Contractor shall include the non-discrimination and compliance provisions of this clause in all subcontracts to perform work under the Contract.
- 4. The Contractor hereby agrees to abide by the requirements of Executive Order 11246 and all implementing regulations of the Department of Labor.

EXHIBIT C

GRADES AND STANDARDS

NOTE ABOUT QUALITY OF WORK

All work done under this Contract that is defective in its construction or deficient in any of the requirements of these specifications, shall be remedied or replaced by the Contractor in a manner acceptable to the Regional Housing Authority of Sutter and Nevada Counties and industry standards. All work shall be performed in accordance with good craftsmanship requirements.

Unless otherwise noted on the Work Write-Up, the following minimum standards shall apply for work outlined on the Work Write-Up:

FOUNDATION

Footing excavation: For single-story dwelling, 12 inches into undisturbed soil and 12 inches wide. For two-story dwelling, 15 inches wide and 18 inches into undisturbed soil. Bottom and sidewall must be square and clean.

Steel: Single story, two horizontal ½ inch bars of steel, one in footing and one in foundation wall running continuous around perimeter of foundation. All splices shall lap a minimum of 20 inches.

For walls exceeding 30 inches high, one horizontal bar for each additional 12 inches in height or portion thereof. For walls 36 inches in height, provide vertical bars 26 inches o.c. All steel in foundation wall must be approximately centered.

Minimum foundation height must be 6 inches above outside finished grade level. Minimum clearance under floor joist is 18 inches. Minimum width of foundation walls is 6 inches for one-story, 8 inches for two-story. ½ inches x 10 inches anchor bolts shall be installed with a

minimum 7 inches embedment at 6 feet o.c. Provide one bolt within 12 inches of the end of each plate member. Use of shot-in nails is acceptable for interior walls and as supplement to foundation bolts at splices.

2 inches x 4 inches or 2 inches x 6 inches redwood sill, clearly stamped foundation grade, or approved pressure treated wood may be used.

When using 4 inch x 6 inch girders, @48 inches o.c. maximum span on concrete piers shall be 6 feet. All bearing walls supporting a second floor must rest on continuous footing as per UBC 2907.

CONCRETE SLABS, DRIVEWAYS AND WALKWAYS

Grade to levels; eliminate soft spots. Provide base course of gravel or sand nominal 4 inches thick. Compact thoroughly; being to true and even grade. Set forms true and to grade. Sprinkle forms with water just before pouring concrete. If exposed to sun, wet prior to pouring to prevent warping. Match existing abutting concrete slab minimum ½ inches lower levels.

House Slab: Rock, rebar, Wire mesh, smooth finish, anchor bolts, 5 sacks and visqueen.

Driveways & Walkways: Broom finish, wire mesh, sand/rock and 5 sack.

Patios: 4 sacks, no wire mesh and broom finish.

Garage: Smooth and 5 sack at garage exterior slab to be 1 inch lower than garage floor. No reinforcing is to be closer than 1 inch from the surface of the concrete or 2 inches from bottom. Install expansion joints with approved materials at maximum of 20 feet intervals or provide for expansion by any other approved method.

Expansive Soil: Use rebar in slab, saturate soil footings, and footing to be 18 inches deep. Sand/gravel under garage and driveway. Hairline cracks are O.K., others to be replaced.

"Concrete" Contractor is responsible to assure proper compaction over filled in trenches.

Provide uniform concrete, free from gravel pockets. Fill form completely. Use platform or screen compactors to obtain satisfactory top surfaces. When pour is not monolithic, stop at expansion joints only. Screen to true levels or slopes; remove any surface water and dirt. Bring sufficient motor to top for finish. Finish monolithically, without stopping. Float with wood or carpet float; leave slightly roughened surface or non-slip as directed. Round edges to ¼ inch radius. Slope to drain. Remove and replace slabs that show excessive shrinkage and cracks, or that do not drain properly.

Protect fresh concrete from direct rays of sun, drying winds, and wash by rain until thoroughly hardened. Concrete drives shall be normal 4 inches in thickness unless otherwise specified. Remove all below grade forms. After forms are removed, back fill to edge of concrete and grade away, as per Section 2905(f). Remove all debris, forms, etc., leaving area clean and ready for use.

CARPENTRY

Rough carpentry materials shall conform to the following requirements:

Rough Lumber: All new lumber to be West Coast Douglas Fir, #2 and better. For joists and rafters, stud grade or better for wall studs.

Material to be Treated: All rough and framing lumber in contact with concrete must be redwood foundation grade or better or approved pressure treated lumber. No used lumber may be used.

Nailing/Fastening: Shall conform to UBC 1991, Table No. 25-Q. All exposed exterior wood will be nailed with galvanized zinc coated, aluminum or any other rust resistant metal; ferrous nails set and puttied may be used.

Framing: Carefully lay out, cut, fit and erect all framing. Secure as required. Frame for the installation and support of plumbing work. Install all work to true lines and dimensions, plumb, level and nail as per table 25-Q Uniform Building Code, \.

Wall and Partition Framing Studs: To be nominal 2 inches x 4 inches spaced 16 inches on center, unless otherwise noted. Place studs to provide edge nailing for surfacing materials. Double studs at all openings, corners and intersections. Provide 1 inch x 4 inches let-in-braces where possible or other acceptable bracing as per Section 2517 (g) 3 of Uniform Building Code.

Plates: Provide single plates at floors and double plates at ceiling. Splice single plates; stagger ends of double plates. All intersecting ceiling plates must be properly tied.

Anchors for Stud Partitions Abutting Concrete: Use approved expansion bolts or power driven fasteners installed per manufacturer's installation instructions.

Fire and Draft Stops: Install required Fire and Draft stops as per Section 2516 (f), 3205 (b), and 3707 (m) of Uniform Building Code.

Blocking and Backing: Shall be furnished and installed where required for reception of wallboard, formation or architectural features, concealment of pipes, conduits, ducts, building specialties and other features. Contractor shall consult with the trades concerned and set furring and blocking they require.

Gypsum Wallboard: Sheetrock when installed shall be a minimum of ½ inches thick in the interior and 5/8 inches on all firewalls. Interior joints and corners must be taped, topped and sanded smooth. All drywall or sheetrock cased openings and outside wall corners shall receive metal corners. Firewall joints must be taped. A high quality taping compound shall be used. All work shall be in conformance with manufacturer's printed directions. All sheetrock used in bathtub or shower walls must be moisture resistant.

CARPENTRY FINISH

Finish Carpentry: Exposed surfaces: To be free from tool marks, tom grain, cross sanding or workmanship defects that cannot be concealed by specified painter's finish.

Install finished or re-used hardware necessary to complete job and adjust all movable parts to operate properly.

CABINETS

Whenever existing cabinetry is removed to reveal damaged walls, walls shall be repaired before new cabinets are set in place.

Kitchen Cabinets: Replaced kitchen cabinets shall be constructed as follows: (1) face frame shall be minimum $\frac{3}{4}$ inches x $1\frac{1}{2}$ inches solid birch, ash or oak. All cabinets to have backs; doors, sides and drawer fronts shall be $\frac{3}{4}$ inch plywood with hardwood veneer overlay. Shelves shall be $\frac{3}{4}$ " particle board or melamine.

Plans to be attached to the Work Write-Up. Cabinets to include hardware and felt bumpers for doors. Use side mount drawer guides on drawers toe kicks to match cabinet face.

Counter Tops: Counter tops shall be Formica or equal laminated plastic with $1\frac{1}{2}$ inch minimum Formica or self-edged. Backsplash shall be $3\frac{1}{2}$ inches to 4 inches coved Formica or equal laminated to $\frac{3}{4}$ inch plywood or suitable material with rolled edges and to include end caps. The Owner has the right to select pattern and colors.

Kitchen Range: Ranges to be white or almond, 30 inch, drop-in, of good quality. Range hood, if required, shall be 30 inches. Ranges and hoods to be free of defects and damage to exterior including scratches, dings, etc.

Installation: Do not install mill work until wet operations are completed, concrete, masonry and plaster work has dried, and rooms are broom clean.

Trim members – Install level, plumb, true; accurately scribe members in place; standing trim in single or joined lengths, running trim in pieces as long as practicable. Bevel butt joints together, miter all angles; set exposed nails for putty.

Base and Wall Cabinet Installation – Set cabinets straight, plumb and level. Securely fasten to solid material, not to plaster, lath or wallboard. Install wall cabinets equal to installation specified for base cabinets. Use scribe strips where necessary to affect closure between cabinets and walls or ceilings. Adjust hardware for smooth easy operation.

Sinks – Install sinks in counter tops, as per the Work Write-Up. Provide pads for pressed steel and stainless steel sinks. Set sink frames in continuous beds of approved waterproof sealant.

DOORS

$1\frac{3}{4}$ inch maximum thickness for exterior openings and $1\frac{3}{8}$ inch maximum thickness for interior openings. Interior doors can be hollow core, flush. Exterior doors shall be solid core and include weather-stripping (foam weather-stripping not acceptable) and threshold and passage lock and dead bolt lock. All doors shall be sealed and stained with varnish or painted. Front door minimum 3 feet x 6 feet 8 inches, other minimum 2 feet 8 inches x 6 feet 8 inches.

Aluminum screen doors shall be as specified in Work Write-Up.

Exterior or garage utility closet and water closet doors may be $\frac{3}{4}$ inch A.C.X. fir plywood, primed and painted.

Hardware: Existing hardware shall be put in operable condition or new hardware will be supplied.

Interior doors shall be installed with two butt hinges 3 ½ inches x 3 ½ inches and passage lock sets.

Bathroom or toilet compartment doors shall be provided with "privacy lock" sets. Closet doors shall be provided with "passage lock" sets.

All exterior doors shall be hung on three 4 inch x 4 inch butt hinges and shall be provided with a dead bolt lock set. Storm or screen doors shall have a safety door check.

WEATHER-STRIPPING

All exterior doors shall be provided with rigid aluminum strip with neoprene type weather-stripping fastened to sides and head jambs. Foam type weather-stripping shall not be acceptable.

All exterior doors shall be provided aluminum threshold with rubber attached to the drip cap at bottom edge of door.

Aluminum thresholds with rubber exposed to foot traffic shall not be acceptable.

WINDOWS

Window frames, sills, sashes, trim and hardware shall match existing work in design and dimension unless otherwise specified. All window replacements to include related refinishing and repairing of exterior and interior wall surface and structure of surrounding area to match existing finishes.

Where sash counter balances are to be replaced, friction guides are acceptable as substitutes. Cotton cord replacement is acceptable.

Positive locking devices shall be provided on all windows that are accessible from the exterior and all existing interior finish hardware shall be made operative or replaced.

Wood window units shall be double-hung units with screen, fit and hung. See Work Write-Up for size and number of lights. (White Pine jamb, sill and casing, spring balanced and weather-stripped).

Glass: Prime all wood sash before the placing of putty.

Putty shall consist of pure linseed oil, pure whiting and lead free. (Natural color or standard grade commercial putty).

Glass shall be bedded in putty and secured in place with glazier points and face puttied. All excess putty shall be removed and all glass left clean.

CAULKING

Caulk around all door and window frames, window panes or other locations where called for or needed to make a water-tight job. .

Material and Application: Use standard commercial brands of caulking compound delivered to the job in unopened packages and applied in exact accordance with the manufacturer's directions. Gun application for gun grade or knife application for knife grade.

DEMOLITION

Demolition of all parts to be removed shall be done in a safe, orderly fashion taking care to avoid damage to parts that are to be left in place. Any damage resulting from the work shall be replaced or repaired at no additional cost to the Owner. All debris shall be removed from the premises as it is generated and shall not be allowed to accumulate.

ELECTRICAL

Electrical shall conform to the City/County and National Electric Codes. Service must be grounded as per National Electric Code.

Existing Equipment: Existing materials found to be in good condition and complying with Code may be left in service.

Wiring: Wiring shall be as follows:

Exposed branch circuits shall be installed in approved surface raceway.*

Service and feeders – Type RH/RW rigid galvanized conduit.*

* In all cases, as required by the City/County and Local Code.

Wiring shall be run concealed wherever possible. Where wiring must be run exposed, it shall be run in EMT firmly fastened to ceilings or walls with approved fasteners.

Minimum wire size shall be No. 12 AWG for appliance circuits.

Minimum wire size shall be No. 6 AWG for feeders to panels, but in no case smaller than the service entrance conductors.

UL approved grounded type receptacles shall be used.

Wiring Devices:

Single pole room lighting switches shall be any brand that is approved by UL. Three-way and four-way switches shall be any brand that is UL approved.

Kitchen must have 2 – 20 amp circuit outlets. All receptacles within 6 feet of sink must be GFI protected. There shall be a receptacle for every 4 feet of counter and every counter over 12 inches.

Wall receptacles shall be required a minimum of every 12 linear feet of wall and any wall two feet wide or greater in habitable rooms. National Electric Code Article 210-52(A).

A minimum service of 100 amps shall be provided for each habitable structure of 500 square feet or more.

Any appliance over 10 amps must have a separate circuit.

Washer shall have separate 20 amp circuit.

Dryer shall have separate 30 amp circuit.

Disposal and/or dishwasher to have separate 20 amp circuit.

Outlets to garages, bathrooms, kitchen countertop areas and at exterior structures shall have ground fault protection.

Lighting Fixtures: The Contractor shall provide all reasonable and appropriate lighting fixtures complete with lamps, glassware, mounting hardware, frames and trim, stems, ballasts, sockets, etc., to provide complete operating fixture at each location as called for in the Work Write-Up.

Furnace Connection: Electrical connections required for the heating plant are to be made by the Contractor and included in the heating contract.

Cutting, Fitting and Patching: All cutting of walls, floors, ceilings, partitions, etc., for the passage of electrical work and the closing of superfluous openings around the same in connection with the work under this item including the removal of all debris caused thereby, shall be performed by the Contractor performing the electrical work.

NOTE: All electrical work and materials shall conform to the current Edition of the National Electrical Code, except where exceeded by these Grades and Standards.

PAINTING

Paint Materials: All paint to be well-known manufacturer of high quality paint.

NO LEAD BASE PAINT TO BE USED.

No paint, varnish or stain shall be reduced or applied in any way except as recommended by the manufacturer.

Owner will have choice of color and type of finish (i.e. flat, semi-gloss or gloss).

Condition and Preparation of Interior Surfaces: Contractor shall examine all surfaces carefully to be finished under this Contract and before beginning any work and he/she shall see that all work of other trades have been left or installed in workmanship condition to receive paint or stain. All woodwork to receive paint or stain is to be thoroughly sanded and dusted clean; collected dust is to be removed before preliminary paint work is begun. All drywall joints are to be taped and finished in a workman-like manner.

Walls that have been previously painted shall be thoroughly cleaned of all foreign materials. Any surface painted over that has not been properly prepared shall be required to be cleaned and over a properly prepared surface be repainted, at no additional cost to the Owner. Woodwork and existing walls with mildew, stains, etc., shall have all knot holes, pitch pockets or sappy portions shellacked before preliminary painting. Nail holes, cracks or other defects to be

carefully puttied. New wood shall receive prime coat before painting. All doors to be finished shall have edges finished to match exposed face. Tops and bottoms of exterior doors shall be effectively sealed against moisture. All electrical fixtures, cover plates, door hardware, knobs, drawer pulls, etc., to be removed. Any such items painted over to be replaced at Contractor's expense.

Workmanship: Each coat of paint shall be applied at proper consistency as recommended by the manufacturer, free of brush marks, sags, runs, etc., with no evidence of poor workmanship. Care shall be exercised to avoid lapping of paint on glass or hardware. Paint sharply cut to lines. Finished paint surface to be free from defects or blemishes. All exposed nails shall be set and holes filled.

Finished work is to be adequately covered with a uniform color and finish. The number of coats herein specified being a minimum. Contractor shall provide any additional coats to produce a first-class job.

Defective Work: Any defective work shall be the responsibility of the Contractor and shall be corrected at no additional cost to the Owner.

Exterior Surface Preparation:

New Wood – Contractor to inspect all wood surfaces to be painted to see that all other trades have made proper and complete installation. All knots, pitch pockets or sappy portions to be shellacked or sealed with knot sealer. All exposed nails to be set. Fill all imperfections and sand smooth. All dust to be collected and removed from job. Wood to receive a prime coat before painting, if the wood has not been pre-primed prior to rehabilitation.

Repainted Wood – By scraping, sanding, burning or other method, remove all defective material such as peeling, blistered, scaling paint. Remove and replace defective siding or other inadequate material to be painted. Fill in imperfections. A surface conditioner to be applied to all weathered or bare wood before any paint is applied.

All edges of exterior doors to be finished to match face exposed at same time as door. Top and bottom of doors shall be effectively sealed against moisture.

Stucco or Block – By scraping, wire brushing, sandblasting or other method, remove all defective material. Before painting, scrub building down with water and brush to remove dust or other materials. Clean all cracks, chipped corners, etc., and fill with proper materials.

Trim – Trim to include all wood molding around doors, windows and/or other openings. Overhang (eaves), fascia, window shutter, window boxes or other exterior decorative adornment.

NOTE: Painting of trim includes all wooden window frames, reglazing as necessary, cleaning of glass and freeing windows of all paint.

Spray Painting: All surfaces not to receive paint or finish surfaces shall be protected from over-spray. All over-spray on other surfaces to be cleaned and completely removed. Paint to be thinned or reduced per manufacturer's recommendations. All roof area to be protected from over-spray.

Metal Surfaces: All metal surfaces to have all foreign material completely removed, i.e. oil, rust, scaling paint, etc. After proper preparation, all surfaces to be primed before painting.

On properly prepared surface, apply sufficient paint to insure complete coverage. Any indication of defective surface preparation will be cause for re-preparation and re-painting at no extra cost to Owner.

Clean Up: Protective covering or drop cloths to be used to protect floors, fixtures and equipment. Care exercising to prevent paint being splattered onto surfaces that are not to be painted. Surfaces from which such paint cannot satisfactorily be removed shall be painted or re-painted as required to produce a finish satisfactory to Owner.

All debris related to or created by painting shall be removed from the job site and the job site left clean and ready for use. All windows to be free of paint and operating properly.

All shrubs/landscaping shall be protected in an approved manner.

HEATING

All heating units to be installed according to manufacturer's specifications. Fuel furnaces and water heaters to include new flue, vent connector, roof jack and cap, gas connector and shut-off valve.

Furnace heating units shall be according to the Work Write-Up for size.

Central Heating Plant System, existing and to remain, shall be thoroughly cleaned and all worn or damaged parts, fittings and accessories replaced. The entire system shall be tested and left in perfect working condition including thermostat, wiring and all necessary controls.

Shop drawings, showing the proposed heating system including size and location of all heating units, duct sizes, capacity and controls, shall be submitted by the heating contractor and approved by the inspector before proceeding with the work.

PLUMBING

This specification covers the furnishing of all labor, materials, tools and apparatus necessary for the completion of the required plumbing work and fixture installations. The Contractor is to fully cooperate with all other crafts and sub-contractors and be responsible for any delays that might be caused by negligence or failure to cooperate with others. Contractor is to specify type, size, color and manufacturer of each fixture to be provided in each bid, i.e., pressed steel or cast iron tub/sink.

Water heater to include new temperature pressure relief valve and drain line, installed to Code. All work covered by PG&E will not be included in the Contract. Water heater to comply with seismic zone 3 tie down requirements.

General: No plumbing fixtures, device or construction shall be installed that will provide a cross connection of any sort between a potable water supply intended for drinking and a polluted water supply, waste pipe or drainage.

All design, construction and workmanship shall be in conformity with accepted engineering practices and shall be of such character as to secure the results sought to be obtained by this guide and specifications.

Any drainage or plumbing system, building sewer or part thereof that is installed, altered or repaired if covered or concealed before being inspected, tested and approved shall be uncovered for inspection upon notice to uncover.

Venting system to conform to Chapter 5 of the Uniform Plumbing Code. Each vent pipe or stack shall extend through its flashing and shall terminate vertically a minimum of 6 inches above roof and not less than 12 inches from any vertical surface.

Materials: All materials used in any drainage or plumbing system shall meet or exceed minimum requirements set forth by the Uniform Plumbing Code. All material to be new and undamaged. Any defective material shall be replaced at no additional cost to Owner.

Gas pipe placed in earth or within 6 inches of earth shall be protected from corrosion by approved coatings or wrapping materials. Wrapping shall be machine applied and conform to recognized standard, except for short sections and fittings necessarily stripped for threading that may be field wrapped within 40 mil. tape.

Non-metallic gas installed underground shall be installed with and attached to a number 18 copper tracer wire, wire to terminate above grade at each end. For additional information on gas piping, see Chapter 12, Uniform Plumbing Code.

Sewer Line: Within practical alignment and at uniform slope of $\frac{1}{4}$ inch to the foot fall from dwelling to property line, install an ABS Schedule 40 plastic sewer line. Where $\frac{1}{4}$ inch to foot slope is not possible, Contractor shall obtain prior approval of rehab inspector.

A clean-out is to be placed within 2 feet of the dwelling and at each change of direction in excess of 135 degrees and at each 100 feet. Clean-outs shall be installed so that they open in the direction of the flow. Clean-outs are to be extended to grade.

Sewer line piping shall be laid on a firm bed throughout its entire length and backfilled with sand or fine earth, where soil has materials (rocks) presuming a hazard to pipes. Throughout the full length trench to be flooded and tamped. Any surplus dirt to be either removed from property or spread as Owner directs. An excess of setting within a 6 month period shall be refilled at Contractor's expense.

Water Line: Installation of new water line from property line to dwelling: pipe may be galvanized, wrapped, copper, or SCH 40 PVC. All joints on metal pipe to be wrapped with a 20 mil. plastic tape. Water line may be installed in same trench with sewer line if the following conditions are met:

- (1) The bottom of the water piping at all points shall be at least twelve (12) inches above the top of the sewer pipe.
- (2) The water piping shall rest on a solid shelf at one side of common trench.
- (3) A new 8 foot driver ground rod is installed for electrical grounding in addition to grounding of cold water line.

ROOFING

Roofing to be applied as specified. Roofing shall be class "C" or better. Follow standard specifications and methods of the roofing manufacturer for application.

Gutters – Downspouts and Connections: Use 26 gauge galvanized metal or factory finished aluminum. Shape, size and length of gutter and downspout as specified in Description of Work to Be Preformed. Downspouts to empty on splash blocks 12 inches x18 inches x 3 inches or dry well or to curb as specified. Gutters to be connected or tied to roof every 4 feet. Downspouts to be fastened to wall with metal fastenings at top and bottom. All joints in gutters to be soldered or caulked to make water tight.

Roofing Sheet Metal: Provide proper metal edge strips, flashing and gravel stop. All metal valleys to be #26 gauge galvanized iron. Joints and seams will be neatly formed and finished; make exterior work permanently water tight. Where necessary to expose nailing, use large headed galvanized nails.

Flashing: Turn up vertical flashing minimum of 8 inches and carry flashing or bases under roofing a minimum of 6 inches. Conceal fastening wherever practicable.

All shingled roofs shall have #26 gauge metal flashing for each course of shingles at juncture of roof and vertical surfaces. Flashing shall be secured against solid blocking.

Built-up Roof – Any roof having two roofing layers shall be stripped to its original sheathing before an additional layer can be installed. Remove any defective sheathing and replace. Remove any protruding nails and re-nail as necessary. Install new reglets at walls and parapets receiving metal counter-flashing. Material minimum: base sheets consisting of two lays of 15 pound felt spot or strip mopped or nailed, using not less than one nail per each 1 1/3 square foot. Mineral aggregate surface with not less than 60 pounds of hot asphalt in which is embedded not less than 400 pounds of gravel per roofing square. Contractor shall provide Owner with roofing guarantee. Any re-roof requires an inspection by Building Inspector prior to installation of new materials.

Composition shingles to be applied only to solidly sheathed roof except when applied over existing wood shingle roof. Composition shingles to have a minimum underlayment of 15 pound felt. All valleys to have a metal flashing, or shingles laced in an approved manner with an underlayment of not less than 15 pound felt extending 28 inches from center line each way. Contractor shall provide Owner with 20-year manufacturer's warranty.

Clean-Up: Job to be left clean and debris hauled away by Contractor.

MATERIALS LIST

Locks, Latches and Bolts: KWIKSET or equal lockset and dead bolt for exterior doors to be keyed alike, dead bolt to be keyed on exterior side only. Locks, latches and bolts to be installed with striker plates.

Paint: To be Dunne Edwards or equal.

Water Closet: Installed with seat, cover, anglestop, wax seal, supply line and flange bolts. Vitreous china American Standard or equal, 1.6 gallons per flush.

Tub: White or almond porcelain or steel, fiberglass, or American Standard or equal.

Faucets and Shower Heads: Delta or equal.

Kitchen Sink: 22 inches x 33 inches double compartment medium grade or better nickel stainless steel or porcelain on steel.

Tub/Shower Walls: One, two or three piece fiberglass.

Lavatory: Includes sink, faucet, trap, tail piece, supply lines and angle stops. Plastic supply lines are not permitted.

Vanity: Includes counter top with bowl, faucet, tail piece, trap, supply lines and angle stops. Construction same as kitchen cabinets. Cabinet to be finished with ¾ inch frame.

Floor Covering: Sheet vinyl to be non-wax resilient; shall meet or exceed FHA standards. Carpeting shall meet or exceed FHA standards. Pad shall be 3/8 inch rebound FHA minimum or better.

Water Heater: Glass lined; size to be specified in Work Write-Up. Install with venting, pressure and temperature relief valve and line to the exterior.

Wall Furnace: Installed with wall mounted thermostat and venting system.

CONTRACT SHALL PROVIDE OWNER WITH ALL MANUFACTURER'S WARRANTIES AND GUARANTEES ON ALL ITEMS INSTALLED OR REPLACED THAT ARE WARRANTED AND GUARANTEED.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES CASH ALLOWANCES

Under the Housing Rehabilitation Programs, the following items may not exceed the allowances listed. Prices listed below do not include labor:

Ranges/Stoves (drop-in)	\$550
Cook-Tops (built-in)	\$250
Ovens (built-in)	\$450
Garbage Disposal	\$110
Range Hood	\$125

Carpet per square yard (without pad)	\$15
Sheet Vinyl per square yard	\$15
Bath Vanity (cabinet base and basin)	\$280

EXHIBIT D

GENERAL INSTRUCTIONS PRE-WORK CONFERENCE

TO THE CONTRACTOR:

1. Licenses: State of California requires that all contractors have a State Contractor's B-1 license, or a specialty license in good standing. No exceptions.
2. Insurance: A certificate of insurance must be submitted to Lender's Representative prior to start of work, proving coverage for public liability in the amount of \$100,000/\$300,000; property damage in the amount of \$50,000; and Workers' Compensation insurance.
3. Bids: By bid submission, Contractors acknowledge that they have inspected the site, are aware of all conditions to the Contract and applicable codes, and agree to perform all work accordingly, for the Contract sum plus any approved change orders.
4. Contract: The Contract between the Owner and the Contractor, with Lender's Representative acting in an advisory capacity to the Owner. The Work Write-Up by the Regional Housing Authority of Sutter and Nevada Counties (REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES) shall become attached to, and be considered a part of the Contract.
5. Financing: Funds are made available through the Housing Rehabilitation Program. The REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES will act as agent for the county/city administering loans and grants for the CDBG/HOME/CALHOME/HPG funds, while monitoring projects through the course of the work, to completion.
6. Special Conditions: Most projects will be occupied during construction. Once work begins, it shall be completed without interruption. Special care shall be taken to protect subject and adjacent properties from damage and debris accumulation. Materials and equipment that have been removed and replaced as a part of the work shall belong to the Contractor and shall be removed from the premises prior to final payment.
7. Assignment: The Contractor shall not assign or transfer any of his/her rights, duties, benefits, obligations, liabilities or responsibilities under this Contract without the written consent of the Owner.
8. Change Order: No change orders are allowable unless specifically approved in advance in writing by the Owner.

9. Additional Work: There shall be no additional work outside the Contract, until the Notice of Completion is signed except work directly connected with the project.
10. Warranties: All work shall be guaranteed by the Contractor for one (1) year from the date of signing of the Notice of Completion. Mechanical equipment, roofing materials and appliances shall carry manufacturers' warranties, delivered to the Owner.
11. Notice to Proceed: Contractor shall not start work until receipt of Notice to Proceed. Contractor will cooperate with Owner by informing him/her of the work schedule and any changes in the scheduling during the course of the work.
12. Payment: See Exhibit F – 108 for method of payment of Contract price.
13. Inspection by Building Inspector: It is the Contractor's responsibility to notify Lender's Representative, the REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES, when the Building Inspector is scheduled.
14. Inspection by Regional Housing Authority of Sutter and Nevada Counties: The Lender's Representative, the REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES construction inspector, will make regular unscheduled inspections of the work in progress.

TO THE OWNER:

1. Owner's Responsibilities: It is the Owner's responsibility to approve payment requests and Change Orders ONLY as work is completed satisfactorily and as Change Orders are approved by the Lender's Representative. If there are any questions about the quality or type of work being done on the Owner's property, it is the Owner's responsibility to call the Contractor first, and then the REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES for assistance.
2. Disputes: If any dispute arises between the Owner and the Contractor or his/her workers, the Owner must first try to solve the problem. If this fails, the Owner is to call the REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES immediately for assistance.
3. Inconvenience: There will be some inconvenience during construction. If the Owner feels that his/her property is not being reasonably protected, the Owner is to discuss the matter with the Contractor before calling the REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES for assistance.
4. Additional Work: The REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES will not authorize payment for any items negotiated outside the Contract.
5. Change Orders: Conditions requiring additional work may appear as work proceeds. If this happens, a Change Order will need to be negotiated between the Owner and the Contractor, with the approval of the REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES. The REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES will need to determine if funds are available.

6. Utility Services: Any existing home utility services will be available to the Contractor and workers without charge including; electrical power, gas, water and telephone (if available) for local calls ONLY. When the Contractor must disconnect or otherwise interrupt service, including plumbing fixtures to make repairs or replacements, the use of availability of such services shall not be deprived to the Owner or occupant except during normal working hours (8:00 AM to 5:00 PM).

EXHIBIT E

INSURANCE REQUIREMENTS

1. Workers' Compensation Insurance: The Contractor shall take out and maintain during the life of this Contract Workers' Compensation Insurance for all employees at the site of the project; and in case any work is sublet, the Contractor shall require all sub-contractors similarly to provide Workers' Compensation Insurance for all of the sub-contractors' employees.
2. Public Liability and Property Damage Insurance: The Contractor shall take out and maintain during the life of this Contract, such public liability and property damage insurance as shall protect him/her and any sub-contractors performing work covered by this Contract from claims for damages or personal injury, including accidental death, as well as from claims for property damage that may arise from operation under this Contract, whether such operation be by him/herself or anyone directly employed by either of them; and the amounts of such insurance shall be as follows:

Public Liability Insurance in an amount not less than One Hundred Thousand Dollars (\$100,000) for injuries, including accidental death, to any one person; and in an amount of not less than Three Hundred Thousand Dollars (\$300,000) on account of one accident.

EXHIBIT F

I. CONSTRUCTION CONTRACT CONDITIONS

1. Control, Supervision and Inspection by the Agency: The Regional Housing Authority of Sutter and Nevada Counties (REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES) will be the Lender's Representative exercising its own reasonable discretion, to deal with the Contractor and to insure the work is performed in accordance with the provisions of this Contract. Lender's Representative shall at all times have access to the work during its progress, and shall be furnished with every reasonable facility for control, supervision and inspection for ascertaining that the materials, workmanship and equipment are in accordance with the requirements and intentions of this Contract. Lender's Representative shall also be permitted at all reasonable times to inspect and review all relevant data and records of the Contractor.

The Lender's Representative shall have the authority to give such general supervision and directions as may be necessary to insure work on the project is in strict compliance with the plans and specifications. The Lender's Representative shall determine the adequacy of the Contractor's methods, plans and appurtenances and make sure directions relative to sufficiency of forces as may be reasonably necessary to insure proper and continuous execution of the work. The representative may stop the work if necessary to prevent its improper execution and shall determine the amount, quality and fitness of the several kinds of work and materials used. The representative shall reject all work and materials that do not conform to requirements of the Contract. All

instructions, rulings, and decisions of the Lender's Representative shall be made promptly in writing.

2. Proposal: Proposals, in order to be entitled to consideration, must be made in accordance with the following instructions:
 - a. Before submitting a proposal, bidders shall carefully examine the description of work to be performed and all other Contract documents, visit the site, fully inform themselves as to all existing conditions and limitations and shall include in the proposal a sum to cover the cost of all items included in the Contract. The failure or omission of any bidder to receive or examine any form, instrument, addendum or other document, or to visit the site and acquaint him/herself with conditions there existing, shall in no way relieve any bidder from obligations with respect to his/her bid or to the Contract. The submission of a bid shall be taken as prima-facie evidence of compliance with these instructions.
 - b. Bid and proposal forms, furnished by Lender's Representative shall be properly executed and attached to and made a part of the Contract documents with all items filled in furnishing both the unit and the total costs for each item called for in the Work Write-Up. The signature of all persons signing shall be in long hand and in ink.
3. Withdrawal of Bid: Any bidder may withdraw his/her proposal, either personally or by telegraphic or written request, at any time prior to the scheduled opening time of the proposals.
4. Full Compensation of Worked Performed: The Contractor agrees, as full compensation for doing all the said work and for furnishing all materials and all necessary tools, machinery, implements, apparatus and other means of performance and completion of said work, and also as compensation for all loss or damage arising out of the nature of the work, and from action of the elements, or from any unforeseen difficulties or obstructions that may arise or be encountered during the progress of said work, and before the acceptance thereof by the Owner and County, or from his/her own negligence or carelessness, and also as compensation for all expenses incurred by or in consequence of the suspension or discontinuance of the work, to receive and accept, and the Owner agrees to pay therefore the bid price as stated on the Contract for Property Rehabilitation.
5. Notice to Proceed: Written "Notice to Proceed" with the rehabilitation work, as set forth in the accepted Bid and Proposal, will be issued to the accepted Contractor by the Owner(s) and Lender's Representative within fourteen (14) calendar days from the date of Contract award. If said notice is not received within the prescribed period of time, the Contractor has the option of withdrawing his/her bid and proposal.
6. Commencement of Work: The work that the Contractor is required to perform shall be commenced within fourteen (14) calendar days of receipt of the Notice to Proceed.
7. Time for Completion: All work the Contractor agrees to perform under this Contract shall be fully completed as specified on the Notice to Proceed or unless modified by Section I. 9., "Excusable Delays" and/or Section II. 6., "Changes in Work to be Performed".
8. Liquidated Damages: As actual damages for any unexcused delays in completion of the work that the Contractor is required to perform under this Contract are impossible to

determine, the Contractor shall be liable for and shall pay to the Owner the sum of Fifty Dollars (\$50) per day as fixed, agreed and liquidated damages for each calendar day past the stipulated "Time for Completion" date until such date that the work required under this Contract is satisfactorily completed and accepted by the Owner and Lender's Representative. The requirement of this Section may be modified by Section I. 9., "Excusable Delays" and Section II, 6., "Change in Work to be Performed".

9. Excusable Delays: The Contractor shall not be charged with liquidated damages for any delay in the completion of work due to the following:
 - a. Any act of the Government; including but not limited to controls or restrictions upon or requisitioning of materials, equipment, tools, or labor by reason of war, National Defense, or any other national emergency.
 - b. Any acts of the Owner in violation of these conditions of terms of agreement.
 - c. Causes not reasonably foreseeable by the parties to this Contract at the time of execution of the Contract that are beyond the control and without the fault and negligence of the Contractor, including but not restricted to acts of God or of the public enemy, acts or another contractor in the performance of some other contract with the Owner, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and weather of unusual conditions; provided, however, that the Contractor promptly (within ten (10) calendar days) notifies the Owner and Lender's Representative (REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES), in writing, of the cause of the delay. This notice shall be made as a Change Order. If the facts show delay to be properly excusable under the terms of this Contract, the Owner shall extend the Contract time by a period commensurate with the period of excusable delay to the completion of the work as a whole.
10. Method of Payment of Contract Price:
 - a. No payment can be made for any work performed under this Contract unless and until such time as Owner and Contractor have submitted a Request for Payment to Lender's Representative (REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES) and work has been inspected by the Owner, an authorized representative of Lender's Representative (REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES), and the local Building Inspector and that said inspectors certified that the work has been satisfactorily completed.
 - b. Any final payment due the Contractor will be paid thirty-five (35) calendar days after the Notice of Completion has been recorded at the county.
 - c. When the Contract price is Two Thousand Five Hundred Dollars (\$2,500) or less, the Contractor shall receive a lump sum payment minus ten percent (10%) retention after conditions of Section I. 10. a. and b. have been fulfilled and the work has been accepted by the Owner and the Lender's Representative, including clean-up

- d. When the Contract price is between Two Thousand Five Hundred Dollars (\$2,500) and Five Thousand Dollars (\$5,000), the Contractor may receive one progress payment. Such progress payment shall not exceed eighty percent (80%) of the value of the work satisfactorily completed and inspected up to the time of the requisition for such payment minus ten percent (10%) retention. The final payment will include any amounts remaining due under the Contract as adjusted in accordance with approved Change Orders and will be subject to withholding any amount due the Owner for "Liquidated Damages" as per Section I. 8.
 - e. Contracts executed for more than Five Thousand Dollars (\$5,000): minimum draws allowed will be Five Thousand Dollars (\$5,000). A ten percent (10%) retention will be held from each draw. The procedure for the release of the retention is described under Section I. 10. b.
11. Preparation and Delivery of Checks: Lender's Representative upon the approval by Owner and receipt of Request for Payment, shall draw a check for the payment of completed and approved work and services. Each check shall be made payable to the Contractor, or other appropriate Payee. Lender's Representative shall transmit the endorsed check to the Contractor, or other appropriate Payee.
12. Interest of Lender's Representative Officers or Employees: No member of the governing body of the Lender's Representative who exercises any functions or any responsibilities in connection with rehabilitation projects shall have any interest, direct or indirect, in this Contract that is incompatible or in conflict with the discharge or fulfillment of his/her functions and responsibilities in connection with the carrying out of the project to which this Contract pertains.
13. Bidders Interested in More Than One Bid: No person, firm or corporation shall be allowed to make or file, or be interested in more than one bid for the same work. A person, firm or corporation who has submitted a sub-proposal to the bidder, or who has quoted a price on materials to a bidder, is not thereby disqualified from submitting a sub-proposal or quoting prices to other bidders.
14. Description of Work, Special Conditions and Drawings:
- The Work Write-Up and Specifications are prepared by the Lender's Representative (REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES). Those documents clearly establish the nature of the work to be done, and the materials and equipment to be installed.
15. Interpretations and Addenda:
- Should a bidder find discrepancies in, or omissions from the Work Write-Up or other Contract documents, or should he/she be in doubt as to their meaning, he/she should at once notify Lender's Representative (REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES) staff, who will send written instructions to all persons receiving a set of such documents. The bidder submitting a request for interpretations will be responsible for its prompt delivery. All requests for interpretations shall be made in writing. No oral interpretations shall be made to any bidder, and Lender's Representative will not be responsible for any explanation or interpretations except

those duly issued in the form of written addenda. Any addenda so issued during the time of bidding shall be covered in the bid and shall be acknowledged in the Proposal and be made a part of the Contract.

II. CONTRACTOR'S RESPONSIBILITIES

1. **Permits and Codes:** The Contractor shall perform all work under the Contract in conformance with all applicable laws, ordinances, regulations and codes of the State, city, county and local government whether or not such applicable laws, ordinances, regulations and codes are covered by this Contract or the Attachments thereto. If any discrepancy is discovered in the Contract in relation to any such law, ordinance, regulation or code, the Contractor shall immediately notify the Owner and the Lender's Representative (REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES). A non-conforming Contract will be made to conform to such laws, ordinances, regulations or codes by the use of a Change Order, as outlined in Section II. 6.; and approximate adjustments of the Contract price and completion date will be made if necessary unless waivers in writing covering the differences have been granted by proper authority. The Contractor shall obtain and pay for all permits, licenses and filing fees, as required.
2. **Surplus Materials and Clean-Up of Premises:** The Contractor shall keep the premises clean and orderly during the course of the work and all surplus materials delivered to the job site and all materials, fixtures and equipment removed as required by the work and no re-used materials shall remain or become the property of the Contractor and/or his/her sub-contractors, and shall be removed from the site promptly after completion, as well as all rubbish and construction debris resulting from the Contractor's operations. The Contractor shall leave the building and premises in broom-clean condition.
3. **Sub-Contractors:** The Contractor shall be as fully responsible to the Owner for the acts and omissions of his/her sub-contractors, and of persons either directly or indirectly employed by them, as he/she is for the acts and omissions of persons directly employed by them.
4. **Fitting and Coordinating of the Work:** The Contractor shall be responsible for the proper fitting of all work and for the coordination of the operation of all trades, sub-contractors or material suppliers engaged under this Contract. He/She shall be prepared to guarantee to each of his/her sub-contractors the location and measurements they require for the fitting of their work to all surrounding work.
5. **Assignment and Delegation:** The Contractor shall not assign any right under this Contract or funds to be received thereunder except upon prior written authorization of the Owner and Lender's Representative (REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES). Any request for assignment must be addressed to Lender's Representative for its approval before consent is given by the Owner. The Sureties must have also been given due notice of the requested assignment in writing and have consented thereto in writing. The Contractor shall not make any delegation of authority or responsibility that would in any way purport to relieve him/her of any obligation imposed by the Contract.
6. **Changes in the Work to be Performed:**

No Change Orders are allowable unless specifically stated in writing by the Owner and the Lender's Representative (REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES).

Except for the purpose of affording temporary protection against any emergency endangering life or property, the Contractor shall make no change in the rehabilitation work, provide any extra or additional work, or supply additional labor, services or materials beyond that actually required for the execution of the Contract, unless in pursuance of a written order from the Owner and Lender's Representative authorizing the change. No claim for an adjustment of the Contract price will be valid unless so ordered.

Each Change Order shall include in its final form a detailed description of the change in the order, a definite statement as to the resulting change in the Contract price and/or time of completion, and the statement that all work involved in the change shall be performed in accordance with Contract requirements except as modified by the Change Order.

7. Materials and Workmanship: Except as otherwise noted, the Contractor shall provide and pay for all materials, labor, tools and other items necessary to complete the work and all taxes thereon. All materials shall be new, unless otherwise specified, and of good quality and good title. All work will be done in a neat and professional manner. All workers of the Contractor and his/her sub-contractor shall be skilled in their trades.
8. General Guarantee and Material Warranties: No provisions of this Contract (including the final payment) nor the use of the improvement constructed in accordance with this Contract, shall relieve the Contractor of the responsibility for faulty materials or workmanship. Upon written notice from the REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES, the Contractor shall repair or remedy any defect in materials and workmanship, and pay for any damages from such defect that may appear within a period of one year from the date of final acceptance of all work performed under this Contract.

The Contractor shall furnish the Owner, all manufacturers' and suppliers' written guarantees and warranties covering materials and equipment furnished under this Contract. Until such time as a Notice of Completion has been signed by Lender's Representative and the Owner, all guarantees and warranties mentioned above remain the responsibility and possession of the Contractor.

9. Warranty of Title: The Contractor shall guarantee good title to all materials, supplies and equipment installed or incorporated in the work. Upon completion of all work, prior to final inspection, the Contractor shall deliver such work, together with all improvements and appurtenances constructed or placed pursuant to this Contract, to the Owner free from any claims, liens or changes from any or all sub-contractors and materials suppliers.
10. Hold Harmless: The Contractor covenants and agrees to, and does hereby indemnify and hold harmless and defend the Owner, Lender's Representative (REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES) and all involved State and Federal government agencies, their agents, servants or employees, from and against any and all claims for injuries or damages to persons or property of whatsoever

kind of character, whether real or asserted, arising out of this Agreement of the work to be performed hereunder. The Contractor hereby assumes all liability and responsibility for injuries, claims or suits for damages, to persons or property of whatsoever kind of character, whether real or asserted, occurring during the time work is being performed and arising out of the performance of the same.

11. Cooperation – Other Contractors: The Owner has the right to let other Contracts in connection with the work, and the Contractor shall cooperate with any such Contractors authorized by the Owner. When two or more such Contractors are employed, each shall conduct his/her operations in such a manner as not to cause any unnecessary delay or hindrance to the other.

III. OWNER'S RESPONSIBILITIES

1. Cooperation of Owner: While this Contract is in force, the Owner shall permit the Contractor to use existing utilities, without charge, including the following: Electric power, gas, water, toilet and telephone, if available, for local calls ONLY, to facilitate the carrying out and completion of work authorized by this Contract.
2. Owner Occupancy: The Owner may continue to occupy (where feasible) or rent the premises during the rehabilitation but he/she or his/her tenants will cooperate with the Contractor in a reasonable manner including abandonment of limited areas as may be essential to the performance of the work.
3. Risk While Unoccupied: If the Owner or his/her tenant occupies the premises during the rehabilitation of said premises, the Owner shall not be liable for loss of materials or labor in installing such materials under this Contract due to fire, theft or vandalism of such materials not attributable to the Owner or his/her agent until such time as the Contractor has completed all of his/her obligations under the Contract regarding the materials furnished that were the subject of the fire, theft or vandalism, and the Owner has signed a written acknowledgment of the completion of the Contractor's obligation and the Owner's acceptance of said material and labor.
4. Risk While Occupied: If the occupant vacates the premises prior to the issuance of a Notice to Proceed, it is the Owner's responsibility for loss due to fire, theft or vandalism until such time said Notice to Proceed is issued to the Contractor. The Owner shall not be responsible for a loss due to fire, theft or vandalism not attributable to the Owner or his/her representative until such a time as the Contractor has completed all of his/her obligations under this Contract, and his/her acceptance of said premises, or where the Owner has received written notice from Lender's Representative that the Contractor has substantially completed his/her obligation under the Contract and the building can be occupied or reoccupied.
5. Payment Not an Acknowledgment: Any payment by the Owner or his/her representative during the term of the Contract shall not, for the purpose of this provision, be an acknowledgment of the completion of the Contractor's obligation under this Contract for the purpose of risk of loss due to fire, theft or vandalism, not attributable to the Owner and his/her representative.
6. Risk of Occupancy Prior to Completion: If prior to the completion of the Contract, the Owner moves into the premises and signs a written acknowledgment of the completion

of the Contractor's obligations up until the point at which the Owner has moved onto the premises, the Owner shall be responsible for any risk of loss due to fire, theft or vandalism of said materials that are the subject of the written acknowledgment; however, the Owner shall not be responsible for any materials or labor, not completed or installed that are to be furnished under the Contract lost due to fire, theft or vandalism not attributable to the Owner or his/her representative. The Owner shall not be responsible for said materials until such time as the Contractor has completed all of his/her obligations under the Contract regarding the materials furnished that were the subject of the fire, theft or vandalism and the Owner signed a written acknowledgment of the completion the Contractor's obligation and the acceptance of said materials.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by any party in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

EXHIBIT G

MECHANICS LIEN LAW NOTICE

Under the California Lien Law, any contractor, sub-contractor, laborer, supplier or other person who helps to improve your property, but is not paid for his/her work or supplies, has a right to enforce a claim against your property. This means that after a court hearing, your property could be sold by a court officer and the proceeds of the sale could be used to satisfy the debt. This can happen even if you have paid your contractor in full if the sub-contractor, laborers or supplies remain unpaid.

To preserve their right to file a claim or lien against your property, certain claimants such as sub-contractors or material suppliers are required to provide you with a document titled "Preliminary Notice". Prime (original) contractors and laborers for wages do not have to provide this notice. A Preliminary Notice is not a lien against your property. Its purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid. Generally, the maximum time allowed for filing a claim or lien against your property is ninety (90) days after completion of work on your property.

TO INSURE PROTECTION FOR YOURSELF AND YOUR PROPERTY, YOU MAY WANT TO TAKE ONE OR MORE OF THE FOLLOWING STEPS:

1. Require that your contractor supply you with a payment and performance bond, that provides that the bonding company will either complete the project or pay damages up to the amount of the bond. This payment and performance bond as well as a copy of the construction contract should be filed with the county/city recorder.
2. Require that payments be made directly to sub-contractors and material suppliers through a joint control agreement. Any joint control agreement should include the addendum approved by the Register of Contractors.
3. Issue joint checks for payments, made out to both your contractor and sub-contractor or material suppliers involved in the project.
4. After making payments on any completed phase of the project, and before making any further payments, require your contractor to provide you with unconditional lien releases signed by each material supplier, sub-contractor or laborer involved in that portion of the work for which payment was made.

Owner's Signature

Date

Owner's Signature

Date

Page Intentionally left blank

EXHIBIT H

SPECIAL HOUSING REHAB PROGRAM CONDITIONS

The following conditions take precedence over any conflicting conditions in other Sections of this Contract:

SECTION I. Definitions: - As used in this Contract.

- A. "Program" means Title I of the HUD Community Development Block Grant Regulations at CFR part 570 as approved and amended from time-to-time.
- B. "Target area" means that area in the county designed by the CDBG or HOME Program contract.
- C. "Contractor" means an entity that furnishes supplies or services under this Contract (other than standard commercial supplies, office space or printing services).
- D. "Contractor" further means an entity, whether public or private, that has the responsibility for administering a project within the defined target area of the county.
- E. "HUD" means the Secretary of Housing and Urban Development or a person to act on his/her behalf.

SECTION II. Records

- A. **Establishment and Maintenance of Records:** Records shall be maintained in accordance with requirements prescribed by HUD or the county with respect to all matters covered by this Contract. Except as otherwise authorized by HUD, such records shall be maintained for a period of three (3) years after receipt of the final payment under this Contract.
- B. **Documentation of Costs:** All costs shall be supported by properly executed payroll, time records, invoices, contracts, or vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payroll, invoices, contracts, vouchers, orders and other accounting documents pertaining in whole or in part to this Contract shall be clearly identified and readily accessible.

SECTION III. Reports and Information

The Contractor will, at such time and in such forms as HUD or the county may require, furnish to HUD or the county such statements, records, reports, data information pertaining to matters covered by this Contract.

SECTION IV. Audits and Inspections

The Contractor will, at any time during normal business hours as often as the county, HUD and/or the Comptroller General of the United States may deem necessary, make available to the county, and/or HUD for examination all of its records with respect to all matters covered by this Contract and the Contractor General to audit, examine and make excerpts or transcripts from such records, and to make audits of all agreements, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Contract.

SECTION V. HUD Requirements

Unearned payments under this Contract may be suspended or terminated upon refusal to accept any additional conditions that may be imposed by HUD or the county at any time, or if the grant to the county under Title II of the National Affordable Housing Act of 1990 as amended from time-to-time, is suspended or terminated.

SECTION VI. Conflict of Interest

- A. Interest of Members of the County: No officers, employees or agents of the county who exercise any functions or responsibilities in connection with the planning and carrying out of the Program, or any other person who exercises any functions or responsibilities in connection with the Program, shall have any personal financial interest, direct or indirect, in this Contract; and the Contractor shall take appropriate steps to assure compliance with these requirements.
- B. Interest of Contractor and Employees: The Contractor covenants that neither the firm nor any of its employees have or shall acquire any interest, direct or indirect, in the area of the county that would conflict in any manner or degree with the performance of the services hereunder. Any interest on the part of the Contractor or the firm must be disclosed to HUD and the county. Provided however, that this paragraph shall be interpreted in such a manner so as not to unreasonably impede the statutory requirement that maximum opportunity be provided for employment or and participation by residents of the county.

SECTION VII. Opportunities for Residents

In all work made possible by or resulting from this Contract, affirmative action will be taken to ensure that residents of the county be given maximum opportunities for training and employment and that business concerns located in or owned in substantial part by residents of the county are to the greatest extent feasible, to be awarded contracts in accordance with the county's Personnel Policies and Procedures.

SECTION VIII. Discrimination Prohibited

- A. In all hiring or employment made possible by or resulting from this Contract, there (1) will not be any discrimination against any employee or applicant for employment because of race, color, religion, sex or national origin, and (2) affirmative action will be taken to insure that applicants are employed, and that employees are treated during employment

without regard to their race, color, religion, sex or national origin. This requirement shall apply to, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. There shall be posted in conspicuous places available to employees and applicants for employment notices to be provided by HUD setting for the provisions of the clause. All solicitation or advertisement for employees shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

- B. No person in the United States shall, on the grounds of race, color, religion, sex or national origin, be excluded from participation in, be denied the benefits of, or subject to discrimination under any program or activity made possible by or resulting from this Agreement. The Contractor and each employee will comply with all requirements imposed by or pursuant to the regulations of HUD effectuating Title VI of the Civil Rights Act of 1964 (P.L. 88-352), and HUD regulations with respect thereto including the regulations under 24 CFR, Part 1, all provisions of Executive Order No. 11246, as amended by Executive Order No. 11375 and as supplemented in Department of Labor Regulations (41-CFR, Part 60).
- C. The Contractor will furnish all information and reports required by Executive Order No. 11246, as amended by Executive Order No. 11375, and by the rules, regulations and orders of the Secretary of Labor, or pursuant to his/her books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- D. The Contractor hereby agrees that he/she will incorporate into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor of 41 CFR Chapter 60, that is paid for in whole or in part with funds obtained pursuant to this Contract, the equal opportunity clause that is a part of the Labor Standard Provisions.
- E. The Contractor further agrees that he/she will be bound by the equal opportunity clause and other provisions of 41 CFR Chapter 60, with respect to his/her own employment practices when it participates in federally assisted construction work. Provided, that if the Contractor so participating is a state or local government, the above opportunity clause is not applicable to any agency, instrumentality or subdivision of such government that does not participate in work or under this Contract.
- F. The Contractor agrees that he/she will assist and cooperate actively with HUD, the Secretary of the U.S. Department of Labor and county in obtaining compliance of contractors and sub-contractors with the equal opportunity clause and the rules, regulations and relevant orders of the Secretary of the U.S. Department of Labor, such information as they may require for supervision of such compliance and that he/she will assist HUD in the discharge of his primary responsibility for securing compliance.
- G. The Contractor further agrees that he/she will refrain from entering into any contract or contract modification subject to Executive Order No. 11246 as amended by Executive Order No. 11375, with a contractor debarred from, or who has not demonstrated eligibility for, government contracts and federally assisted construction contracts pursuant to said Executive Order. In addition, the contractor agrees that if he/she fails or

refuses to comply with these undertakings, the county may take any or all of the following actions: Terminate or suspend in whole or in part this Contract, refrain from extending any further assistance to the Contractor under the program or activity with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from such Contractor; and refer the case to the U.S. Department of Justice for appropriate legal proceedings. However, the county is not limited to these actions but may take any other lawful procedures it desires.

SECTION IX. Federal Labor Standard Provisions

- A. Except with respect to the rehabilitation of residential property designed for residential use for fewer than eight (8) families, the contractor engaged under Contracts in excess of \$2,000 for the construction, prosecution, completion or repair of any building or work financed in whole or in part with assistance provided under this Contract, shall comply with HUD requirements pertaining to such Contracts and the applicable requirements of the regulations of the Department of Labor under 29 CFR Parts 3, 5 and 5a, governing the payment of wages and the ratio of apprentices and trainees to journeymen. Provided, that if wage rates higher than those required under such regulations are imposed by state or local law, nothing hereunder is intended to relieve the Contractor of his/her obligation, if any, to require payment of the higher rates. The Contractor shall cause or require to be inserted in full, in all such Contracts or Subcontracts subject to such regulations, provisions meeting the requirement of 29 CFR 5.5 and, for such contracts in excess of \$10,000, 29 CFR 5a3.
- B. All Contracts and Subcontracts for construction or repair shall include provisions for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR, Part 3).
- C. No award of the Contracts covered under this section shall be made to any contractor who is at the time ineligible under the provisions of any applicable regulations of the Department of Labor to receive an award of such Contract.

SECTION X. Lead-Based Paint Hazards

The construction or rehabilitation of residential structures with assistance provided under this Contract is subject to the HUD Lead-Based Paint regulations, 24 CFR Part 35. Any grants or loans made by the county for rehabilitation of residential structures with assistance provided under this Contract shall be made subject to the provisions for the elimination of lead-based paint hazards under sub-part B of said regulations.

SECTION XI. Compliance with Air and Water Acts

- A. This Contract is subject to the requirements of the Clean Air Act, as amended 42 U.S.C. 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended from time-to-time.
- B. In compliance with said regulations, the Contractor shall cause or require to be inserted in full in all Contracts and Subcontracts with respect to any nonexempt transaction

hereunder funded with assistance provided under this Contract, the following requirements:

1. The Contractor shall stipulate to its Sub-Contractors that any facility to be utilized in the performance of any nonexempt Contract or Sub-Contract is not listed on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR 15.20.
 2. The Contractor agrees to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. 1857c-8) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
 3. As a condition for the award of this Contract prompt notice will be given to any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized or to be utilized for this Contract is under consideration to be listed on the EPA List of Violating Facilities.
 4. The Contractor agrees that he/she will include or cause to be included the criteria and requirements in paragraph (1) through (4) of this section in every non-exempt Sub-Contract. The Contractor further agrees that he/she will take such action as the county may direct as a means of enforcing such provisions.
- c. In no event shall any amount of the assistance provided under this Contract be utilized with respect to a facility that has given rise to a conviction under Section 113(c)(1) of the Clean Air Act or Section 309(c) of the Federal Water Pollution Control Act.

SECTION XII. Copyrights

If the Contract or its performance results in a book or other copyrightable materials, the author is free to copyright the work, but HUD and the county reserve a royalty-free, nonexclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, all copyrighted materials and all materials that can be copyrighted.

SECTION XIII. Patents

Any discovery or invention arising out of or developed in the course of work aided by this Contract shall be promptly and fully reported to the county for determination by HUD and the county as to whether patent protection on such invention or discovery shall be sought and how the rights in the invention or discovery, including rights under any patent issued thereon, shall be disposed of and administered in order to protect the public interest.

SECTION XIV. Political Activities Prohibited

None of the funds, materials, property or services provided directly or indirectly under this Contract shall be used in the performance of this Contract for any partisan political activity, or to further the election or defeat of any candidate for public office.

SECTION XV. Lobbying Prohibited

None of the funds provided under this Contract shall be used for public county or propaganda purposes designed to support or defeat legislation pending before the United States Congress, State Legislature and other local municipal governments.

SECTION XVI. Responsibilities

The Contractor agrees to indemnify, defend and save harmless the county, its agents and employees from any and all claims and losses occurring or resulting to any and all Contractors, Sub-Contractors, materials, laborers and any other person, firm or corporation furnishing or supplying work, services, materials in connection with the performance of this Contract, and from any and all claims and losses occurring or damages caused or contributed to by the Contractor, his/her agents or employees, in the performance of this Contract.

SECTION XVII. Changes

The county may, from time-to-time, request changes in the Scope of Services of the Contract to be performed. Such changes, including any increases or decreases in the amount of the Contractor's compensation, that are mutually agreed upon between the county and the Contractor shall be incorporated in written amendments to this Contract.

SECTION XVIII. Refunds

The Contractor agrees to refund to the county any payment or portion of payments that the county determines were not properly due to the Contractor under the terms of this Contract.

SECTION XIX. Prohibition Against Payments of Bonus or Commission

This assistance provided under this Contract shall not be used in the payment of a bonus or commission for the purpose of obtaining HUD approval of the application for such assistance, or HUD approval of applications for additional assistance, or any other approval or concurrence of HUD required under this Contract, Title I of the HUD Community Development Block Grant Regulations with respect thereto; provided, however, that reasonable fees or bona fide technical, consultant, managerial or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as program costs.