

PROFESSIONAL SERVICES CONTRACT

between

The Santa Barbara County Air Pollution Control District

and

Black Road Auto & Tow [AP111206]

This Professional Services Contract, hereinafter referred to as "Contract", is made this 20 day of October 20 11, between the Santa Barbara County Air Pollution Control District, hereinafter referred to as "DISTRICT," and Black Road Auto & Tow, hereinafter referred to as "CONTRACTOR".

RECITALS

WHEREAS, DISTRICT is a county air pollution control agency with the primary responsibility for preparing and implementing the Clean Air Plan to achieve and maintain state and federal air quality standards in the County of Santa Barbara as mandated by the California Clean Air Act and Federal Clean Air Act;

WHEREAS, Santa Barbara County does not meet state health-based air quality standards for ozone;

WHEREAS, oxides of nitrogen and reactive organic gases are precursors to the formation of ozone and the generation of these pollutants from internal combustion engines used in light-duty motor vehicles are a significant contributor to the county's total emissions of these pollutants;

WHEREAS, DISTRICT has funds provided by the California Air Resources Board pursuant to the Carl Moyer Program, and the California Department of Motor Vehicles (DMV) surcharge fee program, and wishes to utilize a portion of these funds for an Old Car Buy Back program;

WHEREAS, the California Air Resources Board has specified the PROGRAM REQUIREMENTS that must be met by any Old Car Buyback Program to be eligible for Carl Moyer funds and those requirements are set forth in Attachment B to this Contract.

WHEREAS, the California Air Resources Board is an intended third party beneficiary for the purposes of this Contract; as such the California Air Resources Board reserves the right to enforce the terms of this Contract;

WHEREAS, CONTRACTOR represents it is highly qualified and experienced in its professional field, is able to perform the activities described in the SCOPE OF WORK attached to this Contract as Attachment A, and will not commence these activities until this Contract is fully executed;

WHEREAS, DISTRICT has reviewed CONTRACTOR's qualifications and SCOPE OF WORK and has selected CONTRACTOR for the DISTRICT's Old Car Buy Back program at an amount determined by the District Board of Directors; and

NOW, THEREFORE, in consideration of the mutual promises and conditions listed below, it is hereby agreed between DISTRICT and CONTRACTOR as follows:

CONTRACT TERMS AND CONDITIONS

1. Obligations to be Performed Under this Contract.

Within the time specified in paragraph 2 (Time of Performance), CONTRACTOR shall perform all of the obligations described in this Contract and set forth in the SCOPE OF WORK, which is attached hereto as Attachment A and incorporated herein by this reference. Said SCOPE OF WORK shall fully implement and comply with all of the requirements of the California Air Resources Board as set forth in Attachment A, which is incorporated herein by this reference.

CONTRACTOR agrees to furnish all labor, materials, equipment, required licenses, permits, fees, and other appropriate legal authorization from all applicable federal, state, and local jurisdictions necessary to perform and complete, per schedule, in a professional manner, the obligations described herein.

2. Time of Performance.

This Contract shall commence on the date of signing by CONTRACTOR and DISTRICT Board of Directors. The contract term shall be five years unless terminated sooner in accordance with Paragraph 12 (Termination).

3. Contract Funding.

DISTRICT hereby agrees to provide funds to CONTRACTOR in the amount not to exceed \$ 750,000 for the CONTRACTOR to purchase and permanently retire old motor vehicles. CONTRACTOR shall invoice DISTRICT as described in Attachment C, COST SCHEDULE AND REIMBURSEMENT SCHEDULE. CONTRACTOR shall provide DISTRICT any information necessary to verify the accuracy of the invoice. DISTRICT will pay CONTRACTOR within thirty days of receipt of CONTRACTOR's invoice. All invoices or other payment documents must include the assigned DISTRICT contract number. Failure to properly reference this contract number may result in a delay of payment.

4. Non-Partnership.

This Contract is not intended by the parties to constitute or create a joint venture, pooling arrangement, or formal business organization of any kind. The rights and obligations of the parties shall be only those expressly set forth herein.

5. Status of CONTRACTOR.

CONTRACTOR shall perform all services under this Contract as an independent contractor and not as employees, officers or agents of DISTRICT or the County of Santa Barbara.

6. Records.

CONTRACTOR shall keep, and provide to DISTRICT or its agents, upon request, accurate financial records necessary to enable DISTRICT to review CONTRACTOR's performance of this Contract. These records shall demonstrate the contract funding has been used to meet the requirements specified in Attachment A, SCOPE OF WORK and Attachment B, PROGRAM REQUIREMENTS. CONTRACTOR shall maintain all such records for at least three years after the termination of this Contract.

7. Contract Reporting.

CONTRACTOR shall submit report(s) to the DISTRICT in accordance with the schedule and format specified in Attachment D (CONTRACT REPORTS).

8. Audit and Review.

DISTRICT or its agents shall have the right to audit and review the records identified in Paragraph 6 (Records), above, maintained by CONTRACTOR pursuant to the terms of this Contract to the extent necessary to verify the contract funding has been used in accordance with the terms of this Contract. Any such audit and review will be conducted by DISTRICT or County of Santa Barbara auditors or, at CONTRACTOR's option and expense, by a mutually acceptable third party accounting firm.

9. Indemnification and Insurance.

CONTRACTOR agrees to defend, indemnify and save harmless the DISTRICT and the County of Santa Barbara, and to procure and maintain insurance in accordance with the provisions of Attachment E (STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS) attached hereto and incorporated herein by reference.

10. Nondiscrimination Clause.

CONTRACTOR shall abide by the Unlawful Discrimination Ordinance, Article XIII of Chapter 2 of the Santa Barbara County Code, which is attached hereto as Attachment F (COUNTY OF SANTA BARBARA UNLAWFUL DISCRIMINATION ORDINANCE) and incorporated herein by this reference.

11. Rights to Emission Reductions.

CONTRACTOR affirmatively certifies to DISTRICT that the project described in Attachment A (SCOPE OF WORK) is not be required by any local, state and/or federal rule, regulation or Memorandum of Understanding currently in effect. CONTRACTOR transfers and conveys to DISTRICT all rights and claim to ownership of the emission reductions achieved through the permanent destruction of the vehicles purchased by the Contract. CONTRACTOR shall not use or attempt to use the emission reductions achieved by the permanent destruction of the vehicles. CONTRACTOR hereby fully and completely and permanently relinquishes any such rights.

12. Termination.

a) DISTRICT may, in its sole discretion, terminate this Contract for convenience by giving thirty (30) days prior written notice to CONTRACTOR. CONTRACTOR shall not incur any unnecessary expenses or costs which are reimbursable under this Contract during this period except those absolutely necessary to close out all activities related to the Contract. Any other charges incurred by CONTRACTOR during this period will not be compensated by DISTRICT unless approved in writing by the Air Pollution Control Officer.

DISTRICT may terminate this Contract for cause should CONTRACTOR default in the performance of this Contract or materially breach any of its provisions. Such termination shall be by written notice and shall be effective upon receipt by CONTRACTOR.

b) CONTRACTOR may terminate its obligation to purchase and retire old motor vehicles funded under this Contract for good cause. Notice of termination shall be in writing and shall be effective upon completion of the terms of Paragraph 12 (Termination). Such notice shall terminate CONTRACTOR's obligation under Paragraph 1 (Obligations to be Performed Under this Contract) and Paragraph 2 (Time of Performance) of this Contract.

13. Conflict of Interest.

CONTRACTOR understands and acknowledges that the funds awarded under this Contract may only be awarded to CONTRACTOR in compliance with the requirements of the California Political Reform Act ("PRA"), California Government Code Section 87100 *et seq.* CONTRACTOR understands and acknowledges that the PRA prohibits any public official from participating in any governmental decision in which the public official knows he or she has a financial interest.

For the purposes of this provision, a "public official" is any person employed in the Innovative Technology Program at DISTRICT or any other public official of DISTRICT or County of Santa Barbara who participated in the negotiation or making of this Contract.

For the purposes of this provision, "CONTRACTOR" includes CONTRACTOR and CONTRACTOR's subcontractors and employees, business associates and business partners (including all personnel named in CONTRACTOR's Proposal) who will receive a financial

benefit from this Contract.

CONTRACTOR represents and warrants that a "conflict of interest" did not exist during the process that led to the award of this Contract. A conflict of interest exists if any of the following are true:

- a) CONTRACTOR is a business entity in which a public official has a direct or indirect investment worth two thousand dollars (\$2,000) or more;
- b) CONTRACTOR has been a source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by, or promised to a public official within 12 months prior to CONTRACTOR's submission of an application to DISTRICT for this Contract award.
- c) CONTRACTOR is a business entity in which a public official is a director, officer, partner, trustee, employee, or holds any position of management;
- d) CONTRACTOR has been a donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating three hundred forty dollars (\$340) or more in value provided or promised to a public official within 12 months prior to CONTRACTOR's submission of an application to DISTRICT for this Contract award.

CONTRACTOR shall disclose any conflict of interest to DISTRICT in writing prior to execution of this Contract. DISTRICT may, in its sole discretion, decline to award or may terminate the Contract to CONTRACTOR if a conflict of interest existed prior to the full execution of this Contract. Failure of CONTRACTOR to comply with this provision shall be a material breach of this Contract and shall, at DISTRICT's discretion, result in a total forfeiture of all Contract funds received under this Contract. CONTRACTOR shall also be liable to DISTRICT for treble damages of the amount of the Contract and DISTRICT's reasonable attorney's fees in any litigation necessary to enforce this provision.

14. Taxes.

CONTRACTOR shall be responsible for payment of all taxes due as a result of the Contract.

15. Public Education.

CONTRACTOR, upon request of DISTRICT, will participate in and assist with a one day public education and demonstration concerning CONTRACTOR's project. CONTRACTOR will allow reasonable access by DISTRICT and the public to project facilities and equipment during this demonstration.

16. Remedies Not Exclusive.

No remedy herein conferred upon or reserved to DISTRICT is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

17. Publication.

DISTRICT shall have the right of prior written approval of any document which shall be disseminated to the public by CONTRACTOR in which CONTRACTOR utilized information obtained from DISTRICT in connection with performance under this Contract.

Information, data, documents, or reports developed by CONTRACTOR for DISTRICT, pursuant to the Contract, shall be part of DISTRICT's public record. CONTRACTOR may use or publish, at its own expense, such information provided to DISTRICT. The following acknowledgment of support and disclaimer must appear in each document disseminated, whether copyrighted or not, and based upon the work performed under this Contract.

"This report was prepared as a result of work sponsored by the DISTRICT. The opinions, findings, conclusions, and recommendations are those of the author and do not necessarily represent the views of DISTRICT. DISTRICT, its officers, employees, contractors, and subcontractors make no warranty, expressed or implied, and assume no legal liability for the information in this report. DISTRICT has not approved or disapproved this report, nor has DISTRICT passed upon the accuracy or adequacy of the information contained herein."

CONTRACTOR shall inform its officers, employees, and subcontractors involved in the performance of this Contract of the restrictions contained herein and require compliance with the above publication terms.

18. Waivers.

The waiver by either party to this Contract of any term, covenant, or condition of this Contract or of any provision, ordinance, or law, shall not be deemed to be a continuing waiver of such term, covenant, condition, or law, or of any subsequent breach or violation of the same, or of any other term, covenant, and ordinance of law.

19. Amendment.

This Contract may only be amended in writing executed by DISTRICT Board and CONTRACTOR or, where authorized by the DISTRICT Board, by the Air Pollution Control Officer, and CONTRACTOR.

20. California Law to Apply.

This Contract shall be construed under and in accordance with the laws of the State of California. All obligations created under this Contract are performable in California.

21. Assignment.

This Contract shall not be assigned by CONTRACTOR.

22. Contract Integrated.

This Contract represents the entire and integrated Contract between DISTRICT and CONTRACTOR and supersedes any and all other negotiations, representations, and/or Contracts, either oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other Contract, statement or promise relating to the subject matter of this Contract which is not contained herein shall be valid or binding.

23. Conflicts Between Contract and Incorporated Attachments.

With the exception of the County's Unlawful Discrimination Ordinance, to the extent that any provisions in any of the other attachment(s) which are incorporated into this Contract by reference, conflict with any provision contained in this Contract, the provision of this Contract shall take precedence and govern.

24. Provisions Required by Law Deemed Inserted.

Each and every provision of law and clause required by law to be inserted in this Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted or is not correctly inserted, then upon application of either party, this Contract shall forthwith be physically amended to make such insertion or correction.

25. Unusual Circumstances.

The parties shall be excused from performing their respective obligations in the event they are prevented from performing so by reason of circumstances beyond their control, including, but not limited to, strikes and other labor disputes, wars, civil commotion, natural calamity, fire, equipment breakdown or failures. In the event of any delay described above, the time for performance may be extended by mutual agreement for a period equal to the length of the delay.

26. California Air Resources Board as Third Party Beneficiary.

CONTRACTOR acknowledges that Carl Moyer Program Funds may be provided for this Contract by the State of California through the administration and oversight of the California Air Resources Board. The Air Resources Board shall be a third party beneficiary for the

purposes of this Contract and, as such, the Air Resources Board shall have the right to enforce the terms of this Contract, including seeking whatever legal, equitable and other remedies are available under State law for CONTRACTOR's failure to fully perform under this Contract.

27. Point of Contact

All notices referenced in this Contract shall be in writing and shall be given by first class mail addressed as follows, or at such other address or to such person that the parties may from time to time designate in writing:

DISTRICT

Santa Barbara County Air Pollution Control District
260 North San Antonio Rd., Suite A
Santa Barbara, California 93110
Attn: Jim Fredrickson

CONTRACTOR

Black Road Auto & Tow
1500 Black Road
Santa Maria, CA 93458
Attn: Lorne Leeds

28. Deposit

At the time of issuance of the initial Spending Authorization by the DISTRICT pursuant to Paragraph 29, DISTRICT shall provide to CONTRACTOR funds to cover projected vehicle purchase costs for the next one hundred twenty (120) days in the amount of \$75,000. CONTRACTOR shall utilize said funds as a deposit to pay the owners of vehicles purchased pursuant to Attachment B, PROGRAM REQUIREMENTS, and Attachment C, COST SCHEDULE AND REIMBURSEMENT SCHEDULE of this contract. CONTRACTOR shall not pay out any funds unless approved by a DISTRICT Spending Authorization. CONTRACTOR shall maintain this deposit in a separate FDIC insured bank account and shall allow DISTRICT to audit the records of the account. Any interest accumulated shall only be used for the purpose of purchasing vehicles under the terms of this contract. If CONTRACTOR maintains the deposit in an interest bearing account, CONTRACTOR shall maintain records tracking the interest earned by this account. If CONTRACTOR maintains the deposit in a non-interest bearing account, CONTRACTOR must maintain records indicating that no interest is earned by the account.

Upon termination of this Contract, CONTRACTOR shall return the balance of the deposit, plus any interest earned to DISTRICT within thirty (30) days of termination. In addition, the information specified in Attachment C, Section 2.(C)., shall be submitted along with the deposit balance.

29. Spending Authorization

CONTRACTOR shall not perform any work under this Contract until CONTRACTOR is provided Spending Authorization from DISTRICT by a SPENDING AUTHORIZATION LETTER signed by the Air Pollution Control Officer. Such authorization shall specify the time period, and the amount of Contract funding that CONTRACTOR may expend during specified time period. Once the time period of the written authorization expires, CONTRACTOR shall not spend any additional funds until a new Spending Authorization is provided by the DISTRICT. (Refer to Attachment G, EXAMPLE SPENDING AUTHORIZATION LETTER).


30. Stop Work Order

Notwithstanding any Spending Authorization(s) provided pursuant to Paragraph 29 of this Contract, DISTRICT may, in its sole discretion, require CONTRACTOR to cease any expenditure of funds that are reimbursable under this Contract for convenience by giving forty-eight (48) hours prior written notice to CONTRACTOR. CONTRACTOR shall not incur any unnecessary expenses or costs which are reimbursable under this Contract during this forty eight hour period except those absolutely necessary to close out all activities related to the Contract. Any other charges incurred by CONTRACTOR during this period will not be compensated by DISTRICT unless approved in writing by the Air Pollution Control Officer. DISTRICT may rescind such stop work order by providing written notice to CONTRACTOR.

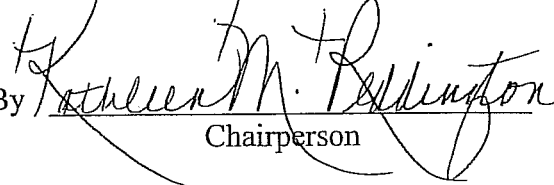
This Contract between Santa Barbara County Air Pollution Control District and Black Road Auto & Tow was executed at Santa Barbara, California on the day and year first above written

ATTEST:

LOUIS D. VAN MULLEM, JR.
Clerk of the Board


By 
Deputy Clerk of the Board

Santa Barbara County Air Pollution Control
District, State of California

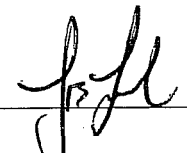
By 
Chairperson

APPROVED AS TO FORM:

RAY AROMATORIO, ARM, AIC
Risk Manager

By 
Risk Manager

CONTRACTOR

By 
Lorne Leeds, Black Road Auto & Tow

Date: 8/30/11


APPROVED AS TO ACCOUNTING
FORM:

ROBERT W. GEIS, C.P.A.
Auditor Controller

By 
Deputy Auditor-Controller

APPROVED AS TO FORM:

DENNIS MARSHALL
County Counsel

By 
Deputy County Counsel

ATTACHMENT A
SCOPE OF WORK

Our Vision  Clean Air


Santa Barbara County
Air Pollution Control District

July 13, 2011

Black Road Auto & Tow
Attn: Lorne Leeds
1500 Black Road
Santa Maria, CA 93458

RE: Scope of Work

Dear Mr. Leeds,

Thank you for your interest in participating in the implementation of our Old Car Buy Back program. To be considered as an operating partner with this program, a Scope of Work must be submitted that provides a detailed response to the following questions:

1. Where will you operate the Old Car Buy Back program?
2. How many years of experience does the CONTRACTOR have in being a licensed dismantler and operating a dismantling facility?
3. Who will be in charge of managing the day-to-day operation of the Old Car Buy Back program?
4. Has the CONTRACTOR been involved with the Old Car Buy Back program before, and if so, for how long?
5. How many staff will be involved in operating the CONTRACTOR's program and what are their years of experience?
6. What vehicle crushing equipment does the CONTRACTOR have on site to dismantle vehicles? If vehicles are not dismantled on-site then how will vehicles be dismantled?
7. How many vehicles can be processed through your dismantling business per day?
8. How big an area and where specifically will vehicles be stored during the ten (10) day waiting period prior to dismantling?
9. What process and procedures will be in place to verify that vehicles meet all of the program's eligibility requirements:
 - a. DMV registration
 - b. Smog Check
 - c. Vehicle Functional equipment inspection
 - d. District approved forms

10. How will the CONTRACTOR manage the financial requirements within this contract including, but not limited to, establishing a bank account to receive deposit funds, process payments to vehicle owners, and invoicing the DISTRICT?
11. How will the CONTRACTOR keep all of the required financial and vehicle records required in this contract and submit reports and bank statements to the DISTRICT?
12. How will the CONTRACTOR comply with Workers' Compensation Insurance and General and Automobile Liability Insurance requirements within Attachment E - Standard Indemnification and Insurance Provisions, including coverage that includes the DISTRICT?
13. The CONTRACTOR must verify that they're a currently licensed dismantling facility through both the California Department of Motor Vehicles (DMV) and the County of Santa Barbara by providing a copy of both the DMV license and County of Santa Barbara business license. The CONTRACTOR must ensure that these licenses are maintained throughout the term of the contract and will send copies of any license renewals to the DISTRICT.

At the conclusion of your responses, please include the statement, "I verify that the information provided in this Scope of Work is true and accurate to the best of my knowledge", along with your business name, printed name, signature, and date.

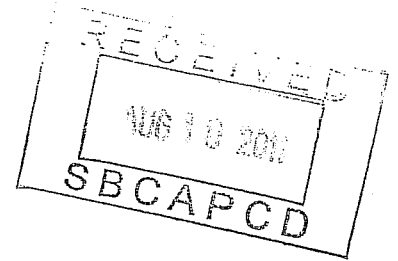
Please submit the information to my attention and contact me with any questions.

Sincerely,

/s/ Jim Fredrickson

Jim Fredrickson
Santa Barbara County Air Pollution Control District
260 N. San Antonio Road, Santa Barbara, CA 93110
(805) 961-8892 / (805) 961-8801 [FAX]
FredricksonJ@sbcapcd.org

BLACK ROAD AUTO & TOW
1500 Black Road
Santa Maria, CA 93458



SCOPE OF WORK

1. The program will be operated at Black Road Auto & Tow, 1500 Black Road, Santa Maria, CA 93458.
2. Black Road Auto & Tow has been in operation as a licensed dismantler since July 1991.
3. Lorne Leeds, owner of Black Road Auto & Tow, will be in charge of managing the day-to-day operation of the program.
4. Black Road Auto & Tow has been involved with the program since its inception in the early 1990's.
5. 3 staff members will be involved in operating the program. Lorne Leeds has 20 years experience, Maria Jaramillo has 10 years experience and Carol Weible has 3 years experience.
6. Black Road Auto & Tow has a crusher and an auto bailer on-site to dismantle vehicles.
7. Black Road Auto & Tow can process up to 30 vehicles per day through its dismantling business.
8. Vehicles will be stored in a 5000 square foot designated fenced area in the northeast corner of my property during the ten day waiting period prior to dismantling.
9. Black Road Auto & Tow will verify that vehicles meet the program's eligibility requirements as follows:
 - a. Vehicle owners will provide proof of vehicle registration to an address within Santa Barbara County for 24 months prior to the sale date.
 - b. Vehicle owners will provide proof of Smog Checks performed on the vehicle.
 - c. Staff members will conduct a vehicle function and equipment eligibility inspection according to program requirements and using District approved forms.
 - d. All District approved forms will be submitted to the District as directed by District staff.
10. Black Road Auto & Tow will establish a designated non-interest bearing checking account to receive program deposit funds. Payment checks will be processed on-site and immediately written to the vehicle owners at the time of the final sale of each vehicle to the program. Invoices will be electronically forwarded to the District per the requirements of the program.
11. All required financial and vehicle records will be stored as hardcopies on-site and will be available for audit at any time. Required reports and bank statements will be submitted to the DISTRICT by email.
12. Black Road Auto & Tow will be in compliance with all program insurance requirements. Proof of Workers' Compensation and General and Automobile Liability Insurance will be provided to the District. The District will be named as an Additional Insured and will be covered under our policies.
13. Black Road Auto & Tow is in compliance with all program licensing requirements. Copies of DMV dismantler license and City of Santa Maria business licenses will be provided to the District. These licenses will be maintained throughout the term of the contract and copies of license renewals will be forwarded to the District.

I verify that the information provided in this Scope of Work is true and accurate to the best of my knowledge. Under penalty of perjury, I certify compliance with local water conservation regulations, state, county, and city energy and hazardous materials response regulations, and local water agency soil, surface, and ground water contamination regulations; and any other information requested in applicable District rules.

Signed on August 2, 2011

Lorne B Leeds
Owner, Black Road Auto & Tow

ATTACHMENT B
PROGRAM REQUIREMENTS

CONTRACTOR will purchase and scrap eligible vehicles in compliance with the following requirements and procedures and in compliance with the California Air Resources Board (CARB) Voluntary Accelerated Vehicle Retirement regulations, California Code of Regulations, Title 13, Sections 2601, *et. seq.*, (the "VAVR Regulations"). The CONTRACTOR shall contact the DISTRICT with any questions or issues regarding vehicle eligibility requirements. DISTRICT will not reimburse CONTRACTOR for the purchase of any vehicle and fees for services associated with that purchase, if such vehicle fails to meet the following requirements:

1. Vehicle Eligibility Requirements

All vehicles scrapped as a part of the Old Car Buy Back program shall meet the VAVR Regulations. In addition, CONTRACTOR shall only purchase and scrap vehicles meeting the following status requirements:

- (A) Participation shall be entirely voluntary for vehicle owners.
- (B) The vehicle must be a 1993 Model Year or older diesel or gasoline-powered vehicle up to 10,000 pounds gross vehicle weight.
- (C) The vehicle must be currently registered with the DMV as an operating vehicle and must have been registered for at least twenty-four (24) consecutive months prior to the date of the sale to the Old Car Buy Back program to an address, or addresses, within Santa Barbara County. Smog Checks must be performed as required by the DMV in order for the vehicle to be considered registered. Currently, diesel-powered vehicles 1998 model year and older and gasoline-powered vehicles 1975 model year and older are exempt from Smog-Check and are not required to pass a Smog Check test to be eligible.
 - (1) A vehicle may also be eligible if the owner of the vehicle placed the vehicle in planned non-operational status per Vehicle Code Section 4604, *et seq.*, for up to two (2) months during the twenty-four (24) months registration period and occurring at least three (3) months immediately prior to the date of sale to the Old Car Buy Back program.
 - (2) A vehicle may also be eligible if the registration has lapsed for a period not to exceed six (6) months during the previous twenty-four (24) months and all appropriate registration fees and late penalties have been paid to the DMV, provided that the vehicle is registered for at least three (3) months immediately prior to its sale date to the Old Car Buy Back program.
 - (3) If a vehicle owner has sold a vehicle to the Old Car Buy Back program within the previous twelve (12) months, any subsequent vehicles offered to the CONTRACTOR must have been continuously registered to that owner for the previous twenty-four (24) month period, in addition to meeting all other requirements of this section.
 - (4) Determination of an individual vehicle's registration history shall be based on registration data for that vehicle, obtained from DMV records. If the DMV

registration data provide inconclusive results for an individual vehicle, then copies of the applicable vehicle registration certificates may be used.

- (D) The vehicle shall be driven under its own power to the dismantler location to be eligible for retirement.
- (E) The vehicle shall not be a high-emitter or a gross polluter and must not be operating under a Smog Check repair cost waiver or economic hardship extension.
- (F) If a vehicle volunteered for retirement is within sixty (60) days of its next required Smog Check inspection, the vehicle shall pass the inspection without receiving a repair cost waiver or economic hardship extension prior to acceptance by the Old Car Buy Back program. Owners of vehicles requiring Smog Check inspections will be required to submit documentation issued by a licensed Smog Check station demonstrating compliance with this requirement. The documentation must be submitted to the CONTRACTOR performing the functional and equipment eligibility inspection.
- (G) If a vehicle volunteered for retirement is within sixty-one (61) days to ninety (90) days of its next required Smog Check inspection, the CONTRACTOR shall verify that the vehicle has not failed a Smog Check inspection during this time frame using the following web site: <http://www.autorepair.ca.gov/pubwebquery/Vehicle/PubTstQry.aspx>
- (H) The vehicle must pass functional and equipment eligibility inspections as specified in the VAVR Regulation.

2. Vehicle Functional and Equipment Eligibility Inspection

CONTRACTOR will only scrap vehicles meeting the following requirements. The vehicle function and equipment eligibility inspection must be conducted on-site at CONTRACTOR's facility using DISTRICT approved forms. The following elements shall be included in the inspection:

- (A) The vehicle must have been driven to the inspection site under its own power. If CONTRACTOR has knowledge that a vehicle was towed or pushed for any portion of the trip to the inspection site, then CONTRACTOR shall not approve the vehicle for eligibility.
- (B) CONTRACTOR must inspect the vehicle to ensure it meets the following requirements and must reject the vehicle if the vehicle fails **any one** of these requirements:
 - (1) All doors must be present and at a minimum the driver's side door shall be operable in a two door vehicle. For a four door vehicle, the driver's side door and one rear door shall be operable. (Doors are considered operable if they can open and close without the use of ropes, wire, tape or other materials that were not part of the original design of the vehicle);
 - (2) The trunk lid shall remain closed without the use of ropes, wire, tape or other materials that were not part of the original design of the vehicle;
 - (3) The hood shall open and shall remain closed utilizing a functional latching mechanism without the use of bungee cords, straps, ropes, wire, chains, or other materials that were not part of the original design of the vehicle;

- (4) The dashboard shall contain warning lights and gauges (except clock and tachometer) as originally supplied by the manufacturer or functionally equivalent aftermarket replacements;
 - (5) Windshield wipers shall be present and operational;
 - (6) The windshield and rear window shall not contain any holes, or holes that are covered by tape or any other external component that impairs the driver's vision. In addition, the windshield and rear window shall not be held in place by external components that were not part of the original design of the vehicle;
 - (7) The driver's seat must be present and the seat back shall not be reinforced or supported by add-on components such as blocks, boards, or rope in order to be functional;
 - (8) Interior pedals (controlling the brake, clutch and accelerator) shall be present;
 - (9) The vehicle shall contain bumpers, fenders, exhaust system, and side and quarter panels as originally supplied by the manufacturer or aftermarket part equivalent; these components shall not be damaged to the extent that the operability of the vehicle is impaired;
 - (10) The vehicle shall not contain any holes in the floorboard or any holes penetrating through the body into the passenger compartment, not originally designed by the vehicle manufacturer;
 - (11) Head lights, tail lights, and brake lights shall be present and operational. (Burned out light bulbs shall not result in a failure of this requirement provided that the operability of the above lightning systems can be verified);
 - (12) Driver's side and opposing side window shall be present, and not supported by any add-on component that was not part of the original design of the vehicle. Other side windows or functional replacements shall be present;
 - (13) The requirements of Section 1.(E) and 1.(F) regarding Smog Check have been met;
 - (14) There should be no obvious indications that the vehicle is not operated on a routine basis for extended periods of time;
- (C) CONTRACTOR shall inspect the vehicle to ensure it meets the following requirements and shall reject the vehicle if the vehicle fails **any two** of these requirements:
- (1) Turn signal lights shall be present and operational. (Burned out light bulbs shall not result in a failure of the requirement provided that the operability of the above lightning system can be verified);
 - (2) Driver's side window and opposing side passenger window shall be operational. (Operability shall be determined by the inspector raising and lowering the window handle, crank, or power window switch located inside the vehicle. Inability of windows to be raised and lowered shall result in noncompliance with this requirement);
 - (3) Rear-view mirror and left-hand side-view mirror shall be present and operational;
 - (4) The vehicle shall contain interior door panels as originally supplied by the

vehicle manufacturer or aftermarket equivalent. (Interior door panels shall be attached to the door without the use of any external device or material not designed for the vehicle);

- (5) The vehicle body shall not contain any holes that exceed two inches in length at the widest point;
- (D) CONTRACTOR shall complete the following functional inspection, and shall reject the vehicle if the vehicle fails to complete **any one** of the following requirements. Prior to implementing the functional inspection, the vehicle engine shall be turned off;
- (1) Insert key, vehicle engine shall start using keyed ignition system. (In addition to the keyed ignition switch, ignition or fuel kill switch may be activated if required to start engine);
 - (2) Vehicle shall idle without the use of accelerator pedal for a minimum of ten seconds;
 - (3) Transmission shall be shifted into forward gear with brake pedal applied. Vehicle engine shall remain operating without use of accelerator pedal for a minimum of ten seconds. (Vehicles equipped with manual transmissions shall be exempt from this requirement);
 - (4) The vehicle shall be driven forward and in reverse for a minimum of 25 feet under its own power;
 - (5) Under its own power, the vehicle shall be driven forward for a minimum of 100 feet starting at 0 miles per hour, and the vehicle shall completely stop at the end of this test using the vehicle's braking system. In dry weather conditions, the vehicle shall travel the first 60 feet of this test within five (5) seconds. (In wet weather conditions, the vehicle shall travel the first 60 feet of this test within eight (8) seconds). After 100 feet have been traveled, the vehicle shall turn around and return to its point of origin;
- (E) CONTRACTOR shall reject the vehicle **if any** of the following occurs during implementation of the functional tests specified in Section 2.(B), Section 2.(C), and Section 2.(D):
- (1) Engine shuts down subsequent to keyed ignition start;
 - (2) Emissions of whining, grinding, clanking, squealing, or knocking noises, or noises from engine backfire;
 - (3) The brake pedal drops to the floor when the inspector attempts to stop the vehicle;
- (F) Upon satisfactory completion of the inspection, CONTRACTOR will issue a DISTRICT approved certificate of functional and equipment eligibility. The certificate of eligibility issued to the vehicle owner will be valid for thirty (30) days. After thirty (30) days, the certificate of eligibility will expire and the vehicle owner will have to re-qualify to participate in the Old Car Buy Back program.
- (G) Vehicles failing the requirements pursuant to Section 2.(A), Section 2.(D), and Section 2.(E), may be retested by CONTRACTOR for compliance with these requirements and issued a certificate of functional and equipment eligibility provided

the vehicle has traveled a minimum of 50 miles subsequent to the failure determination. Vehicles with inoperable vehicle odometers must have the odometer fixed prior to conducting this test. Vehicles failing the requirements of Section 2.(B) and Section 2.(C) may be retested by CONTRACTOR for compliance with these requirements and issued a certificate of functional and equipment eligibility at any time after modifications have been made to the vehicle.

3. Vehicle Buy Back Program Contractor Requirements

- (A) CONTRACTOR must be an auto dismantler, licensed according to the requirements of the California Vehicle Code, other business codes and the regulations of the DMV, for the purpose of vehicle disposal after purchase. CONTRACTOR must have a permanent dismantling facility located in Santa Barbara County and all vehicle disposal activities conducted pursuant to this Contract must be performed at that facility.
- (B) At least thirty (30) days prior to commencing operations as an Enterprise Operator for the Old Car Buy Back Program, CONTRACTOR shall provide DISTRICT, in writing using DISTRICT approved forms, information demonstrating the ability to comply with all provisions of the VAVR Regulations. This information must include CONTRACTOR's name and business address; a written statement from CONTRACTOR under penalty of perjury certifying compliance with local water conservation regulations, state, county, and city energy and hazardous materials response regulations, and local water agency soil, surface, and ground water contamination regulations; and any other information requested in applicable DISTRICT rules.
- (C) For a vehicle purchased as part of the Old Car Buy Back program, the CONTRACTOR shall verify that the vehicle meets the vehicle registration eligibility and functional and equipment eligibility requirements.
- (D) At time of final sale of a vehicle to the Old Car Buy Back program, CONTRACTOR must verify that the person delivering the vehicle for sale is the legal owner or an authorized representative of the legal owner, properly empowered to complete the sale.
- (E) A vehicle purchased as part of the Old Car Buy Back program, must be permanently destroyed by CONTRACTOR within ninety (90) days of the date it is sold to CONTRACTOR, and may not be resold to the public or put into operation in any way, except such a vehicle may be briefly operated for purposes related to the disposal of the vehicle as part of the normal disposal procedures.
 - (1) The vehicle will be considered destroyed when it has been crushed or shredded or otherwise rendered permanently and irreversibly incapable of functioning as originally intended, and when all appropriate records maintained by the DMV have been updated to reflect that the vehicle has been acquired by CONTRACTOR for the purposes of dismantling.
 - (2) No parts may be removed, for sale or reuse, from any vehicle retired for the purpose of generating emission reduction credits. The only allowable use for any retired vehicle is as a source of scrap metal and other scrap material:

- a) The CONTRACTOR may separate ferrous and non-ferrous metals prior to vehicle retirement to sell as a source of scrap metal only;
 - b) The CONTRACTOR may sell tires and batteries to an intermediary tire/battery recycler only. All facilities generating or receiving waste tires must use the service of a registered tire hauler/recycler. Battery recyclers must be registered and licensed to handle batteries.
- (3) All vehicles must be confined in a holding area separate from other vehicles procured by the CONTRACTOR until they are permanently destroyed.
 - (4) All activities associated with retiring vehicles, including but not limited to the disposal of vehicle fluids and vehicle components, must comply with all applicable federal, state and local regulations including but not limited to local water conservation regulations, state, county, and city energy and hazardous materials response regulations, and local water agency soil, surface, and ground water contamination regulations.
- (F) The CONTRACTOR shall provide to the DISTRICT a list of all vehicles accepted for participation into the Old Car Buy Back program that are within sixty-one (61) days to ninety (90) days of their next required Smog Check inspection. (Refer to Attachment D, Section 1.(B)(8)).

4. Offering Vehicles to the Public

- (A) The CONTRACTOR must inform the DISTRICT of any vehicles that are offered for sale into the Old Car Buy Back program and ready for dismantling. The CONTRACTOR must provide daily descriptions of the vehicles as required in Attachment D – Contract Reports.
- (B) After the vehicle is offered for sale into the Old Car Buy Back program, the CONTRACTOR must wait a minimum of ten (10) days before submitting a Report of Vehicle to be Dismantled and Notice of Acquisition (REG-42) to the DMV.
- (C) If an interested person from the public contacts the CONTRACTOR regarding purchasing a vehicle, then the CONTRACTOR must hold the vehicle for at least another seven (7) days. During this extended seven (7) day waiting period, the CONTRACTOR shall arrange for the interested person to examine the vehicle, and if appropriate, negotiate the sale of the vehicle.

5. Parts Recycling

The Old Car Buy Back program does not allow any vehicle parts to be recycled. The entire vehicle must be permanently scrapped and permanently removed from service.

6. Records, Auditing and Enforcement

The following requirements for records, auditing, and enforcement shall be met:

- (A) CONTRACTOR shall be responsible for maintaining and storing the following information for each vehicle removed from operation for the Old Car Buy Back program:

- (1) Vehicle Identification Number (VIN);
 - (2) Vehicle license plate number;
 - (3) Vehicle model year;
 - (4) Vehicle odometer reading;
 - (5) Vehicle make and model;
 - (6) Name, address and phone number of legal owner selling vehicle to the CONTRACTOR;
 - (7) Name, address and phone number of registered owner if different from Section 6.(A)(6);
 - (8) Date of purchase of vehicle by CONTRACTOR;
 - (9) Date of vehicle retirement;
 - (10) Reproduction of California Certificate of Title and registration, as signed-off by seller at time of final sale to the Old Car Buy Back program;
 - (11) Reproduction of the applicable certificate of functional and equipment eligibility;
 - (12) Reproduction of the applicable Report of Vehicle to be Dismantled and Notice of Acquisition (DMV REG-42 form);
 - (13) Reproduction of written documentation from the DMV verifying that a vehicle meets the requirements of Section 1.(C);
 - (14) If applicable, reproduction of documentation issued pursuant to Section 1.(F);
 - (15) Any other pertinent data requested by DISTRICT (e.g. Old Car Buy Back program survey)
- (B) Upon request of DISTRICT, the data contained in records required in Section 6.(A)(1) through Section 6.(A)(15) shall be transmitted to DISTRICT in a DISTRICT approved electronic database format, in lieu of paper copies.
- (C) CONTRACTOR shall maintain copies of the information listed in Section 6.(A)(1) through Section 6.(A)(15) for a minimum period of three (3) years, and shall make those records available to DISTRICT upon request.
- (D) DISTRICT may conduct announced and unannounced audits and on-site inspections of the CONTRACTOR's operations to ensure operations are being conducted according to all applicable rules and regulations. DISTRICT shall notify any noncompliant CONTRACTOR of the nature of the violation and shall initiate any enforcement or remedial action necessary.
- (1) CONTRACTOR and its subcontractors shall allow DISTRICT to conduct announced and unannounced audits and inspections and shall cooperate fully in such situations.
- (E) CONTRACTOR will handle all DMV paperwork associated with the purchase, dismantling, and scrapping of vehicles.
- (F) At the time of final sale of the vehicle to the Old Car Buy Back Program, CONTRACTOR will ensure payment is made to vehicle owner and all of the requirements are met including Section 3.(D).

ATTACHMENT C
COST SCHEDULE AND REIMBURSEMENT SCHEDULE

1. Cost Schedule

- (A) Payment to vehicle owner per vehicle purchased pursuant to this Contract: \$ 1,000
- (B) Payment to CONTRACTOR for services provided per vehicle purchased pursuant to this Contract:
 - (1) Initial payment amount: \$ 200
 - (2) Payment modification: Payment amount to CONTRACTOR may be modified at the sole discretion of the DISTRICT, but never to exceed \$ 300. The modified amount is effective upon written notification by the DISTRICT.

2. Reimbursement Schedule

- (A) While a DISTRICT Spending Authorization (Paragraph 29) is in effect, CONTRACTOR shall invoice the DISTRICT as follows:
 - (1) No less frequently than every two months, in order to replenish the deposit, and no more frequently than is required to ensure CONTRACTOR maintains sufficient funds on deposit to pay owners of vehicles purchased, without interruption of service. (Refer to Paragraph 28).
 - (2) CONTRACTOR shall not invoice DISTRICT unless a DISTRICT Spending Authorization is in effect.
- (B) Invoice shall include all of the information necessary for the DISTRICT to verify the eligibility of the retired vehicles for which a reimbursement is sought.
- (C) Each invoice shall be accompanied with a report with information on each vehicle purchased. The invoice report requirements are in Attachment D, Contract Reports.
- (D) Invoice eligible costs include:
 - (1) Vehicle purchase fees as specified under Section 1.(A).
 - (2) CONTRACTOR fees as specified under Section 1.(B).
- (E) Invoice must include the assigned DISTRICT contract number. Failure to properly reference this contract number may result in a delay of payment.

3. CONTRACTOR shall provide a cost breakdown for all of the eligible costs when requesting payment from the DISTRICT.

4. Within thirty (30) days of receiving a complete invoice, DISTRICT will issue a warrant to the CONTRACTOR to both replenish the deposit and to pay the CONTRACTOR for the costs claimed per Section 2.(D).2.

ATTACHMENT D
CONTRACT REPORTS

CONTRACTOR shall submit the following reports to DISTRICT in a DISTRICT approved electronic format:

1. Daily Report

The Daily Report shall be submitted by the end of each day that the CONTRACTOR operates and handles transactions related to the Old Car Buy Back program. The Daily Report shall include the following information:

- (A) Name and address of CONTRACTOR;
- (B) Details for each vehicle that qualified for the Old Car Buy Back program:
 - (1) Date vehicle owner contacted the Old Car Buy Back program;
 - (2) Date vehicle is scheduled to be permanently scrapped;
 - (3) Vehicle make;
 - (4) Vehicle model;
 - (5) Vehicle model year;
 - (6) Vehicle license number;
 - (7) Vehicle fuel type: gasoline or diesel;
 - (8) Does the vehicle require a Smog Check inspection within the next sixty-one (61) days to ninety (90) days?;
 - (9) Smog Check inspection date and result from latest smog check;
 - (10) Advertising source: Where did they hear about the Old Car Buy Back program?
- (C) Details for each vehicle that was disqualified from participation in the Old Car Buy Back program:
 - (1) Vehicle make;
 - (2) Vehicle model;
 - (3) Vehicle model year;
 - (4) Vehicle license number;
 - (5) Reason for disqualification
- (D) Discuss any problems related to implementing the Old Car Buy Back program.

2. Invoice Report

The Invoice Report shall be included with each invoice submittal to document vehicles purchased and contain the following information:

- (A) Date of vehicle purchase;
- (B) Vehicle make;
- (C) Vehicle model;
- (D) Vehicle model year;
- (E) Vehicle Identification Number (VIN);
- (F) Vehicle license number;
- (G) Odometer reading;
- (H) Vehicle fuel type: Gasoline or diesel;
- (I) Contact information for legal vehicle seller:
 - (1) Name;
 - (2) Address;

- (3) City;
- (4) ZIP Code;
- (5) Phone Number;
- (J) Date owner first contacted the CONTRACTOR;
- (K) Date of permanent vehicle dismantling;
- (L) Contact information for inspector assessing the vehicle's eligibility:
 - (1) Name;
 - (2) Business address;
 - (3) Phone number;
- (M) Check number from payment to owner;
- (N) Reproduction of California Certificate of Title and registration, as signed-off by seller at time of final sale to the Old Car Buy Back program;
- (O) Reproduction of the applicable Report of Vehicle to be Dismantled and Notice of Acquisition (DMV REG-42 form);
- (P) Reproduction of written documentation from the DMV verifying that a vehicle meets the registration and Smog Check requirements of Section 1.(C) and Section 1.(F) of Attachment B;
- (Q) Reproduction of the Certificate of Vehicle Qualification, Equipment, and Function Eligibility documentation;
- (R) Reproduction of Notice of Release of Liability, Bill of Sale, and General Release and Waiver documentation;
- (S) Reproduction of Certificate of Permanent Vehicle Dismantling documentation

3. Bank Statement

- (A) The CONTRACTOR will submit a reproduction of any bank statements used for the payment of vehicles that participate in the Old Car Buy Back program. The bank statements must include check numbers that corroborate with the payments made to vehicle owners. The bank statements must be submitted to the DISTRICT monthly.

ATTACHMENT E
STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS

INDEMNIFICATION

CONTRACTOR shall defend, indemnify and save harmless DISTRICT and the County of Santa Barbara (COUNTY), their officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of this Contract or occasioned by the performance or attempted performance of the provisions hereof; including, but not limited to, any act or omission to act on the part of the CONTRACTOR or his agents or employees or other independent contractors directly responsible to him; except those claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities resulting from the sole negligence or willful misconduct of the DISTRICT.

CONTRACTOR shall notify DISTRICT immediately in the event of any accident or injury arising out of or in connection with this Contract.

INSURANCE

Without limiting the CONTRACTOR's indemnification of DISTRICT and the COUNTY, CONTRACTOR shall procure the following required insurance coverages at its sole cost and expense. All insurance coverages are to be placed with insurers which (1) have a Best's rating of no less than A: VII, and (2) are admitted insurance companies in the State of California. All other insurers require the prior approval of DISTRICT. Such insurance coverage shall be maintained during the term of this Contract. Failure to comply with the insurance requirements shall place CONTRACTOR in default. Upon request by DISTRICT, CONTRACTOR shall provide a certified copy of any insurance policy to DISTRICT within ten (10) working days.

1. Workers' Compensation Insurance: Statutory Workers' Compensation and Employers Liability Insurance shall cover all CONTRACTOR's staff while performing any work incidental to the performance of this Contract. The policy shall provide that no cancellation, or expiration or reduction of coverage shall be effective or occur until at least thirty (30) days after receipt of such notice by DISTRICT. In the event CONTRACTOR is self-insured, it shall furnish to DISTRICT a copy of Certificate of Consent to Self-Insure issued by the Department of Industrial Relations for the State of California. This provision does not apply if CONTRACTOR has no employees as defined in Labor Code Section 3350 et seq. during the entire period of this Contract and CONTRACTOR submits a written statement to DISTRICT stating that fact.
2. General and Automobile Liability Insurance: The general liability insurance shall include bodily injury, property damage and personal injury liability coverage, shall afford coverage for all premises, operations, products and completed operations of CONTRACTOR and shall include contractual liability coverage sufficiently broad so as to include the insurable liability assumed by the CONTRACTOR in the indemnity and save harmless provisions [above] of the Indemnification Section of this Contract between DISTRICT and CONTRACTOR. The automobile liability insurance shall cover all owned, non-owned and hired motor vehicles that are operated on behalf of CONTRACTOR pursuant to CONTRACTOR's activities hereunder. CONTRACTOR shall require all subcontractors to be included under its policies or furnish separate certificates and endorsements to meet the standards of these provisions by each subcontractor. DISTRICT and the COUNTY, their officers, agents, and employees shall be Additional Insured status on any policy. A cross liability clause, or equivalent wording, stating that coverage will

apply separately to each named or additional insured as if separate policies had been issued to each shall be included in the policies. A copy of the endorsement evidencing that the policy has been changed to reflect the Additional Insured status must be attached to the certificate of insurance. The limit of liability of said policy or policies for general and automobile liability insurance shall not be less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Any deductible or Self-Insured Retention {SIR} over \$10,000 requires approval by DISTRICT.

Said policy or policies shall include severability of interest or cross liability clause or equivalent wording. Said policy or policies shall contain a provision of the following form:

"Such insurance as is afforded by this policy shall be primary and if the COUNTY has other valid and collectible insurance, that other insurance shall be excess and non-contributory."

If the policy providing liability coverage is on a 'claims-made' form, the CONTRACTOR is required to maintain such coverage for a minimum of three years following completion of the performance or attempted performance of the provisions of this Contract. Said policy or policies shall provide that DISTRICT shall be given thirty (30) days written notice prior to cancellation or expiration of the policy or reduction in coverage.

CONTRACTOR shall submit to the office of the designated DISTRICT representative certificate(s) of insurance documenting the required insurance as specified above prior to this Contract becoming effective. DISTRICT shall maintain current certificate(s) of insurance at all times in the office of the designated DISTRICT representative as a condition precedent to any payment under this Contract. Approval of insurance by DISTRICT or acceptance of the certificate of insurance by DISTRICT shall not relieve or decrease the extent to which the CONTRACTOR may be held responsible for payment of damages resulting from CONTRACTOR's services or operations pursuant to the contract, nor shall it be deemed a waiver of DISTRICT rights to insurance coverage hereunder.

In the event the CONTRACTOR is not able to comply with DISTRICT's insurance requirements, DISTRICT may, at its sole discretion and at the CONTRACTOR's expense, provide compliant coverage.

The above insurance requirements are subject to periodic review by DISTRICT and the COUNTY. The COUNTY's Risk Manager is authorized to change the above insurance requirements, with the concurrence of County Counsel, to include additional types of insurance coverage or higher coverage limits, provided that such change is reasonable based on changed risk of loss or in light of past claims against DISTRICT and the COUNTY or inflation. This option may be exercised during any amendment of this Contract that results in an increase in the nature of DISTRICT's or the COUNTY's risk and such change of provisions will be in effect for the term of the amended Contract. Such change pertaining to types of insurance coverage or higher coverage limits must be made by written amendment to this Contract. CONTRACTOR agrees to execute any such amendment within thirty (30) days of acceptance of the amendment or modification.

ATTACHMENT F
COUNTY OF SANTA BARBARA UNLAWFUL DISCRIMINATION ORDINANCE

Sec. 2-95. Prohibition of unlawful discrimination in employment practices. The County of Santa Barbara reserves the right to terminate forthwith each and every written contract and Contract (except purchase orders) for goods and/or services entered into by the County of Santa Barbara or by its joint powers, agencies or agents with the consent of the other parties (hereinafter called "CONTRACTOR") including but not limited to concessions, franchises, construction Contracts, leases, whether now in effect or hereinafter made if the county finds that the CONTRACTOR is discriminating or has discriminated against any employee or applicant for employment in violation of any applicable state or federal laws, rules or regulations which may now or hereafter specifically prohibit such discrimination on such grounds as race, religion, sex, color, national origin, physical handicap when otherwise qualified, Vietnam era veteran/disabled, or age.

Such finding may only be made after CONTRACTOR has had a full and fair hearing on notice of thirty (30) days before an impartial hearing officer at which hearing CONTRACTOR may introduce evidence, produce witnesses and have the opportunity to cross-examine witnesses produced by the county. Further, any finding of discrimination must be fully supported by the facts developed at such hearing and set forth in a written opinion; and in addition, CONTRACTOR may move in the appropriate court of law for damages and/or to compel specific performance of a CONTRACTOR or Contract if any the above procedures are not afforded to the CONTRACTOR. If CONTRACTOR is not found to have engaged in unlawful discriminatory practices, county shall pay all costs and expense of such hearing, including reasonable attorneys' fees to CONTRACTOR in accordance with current Santa Barbara County Superior Court schedule of attorneys' fees for civil trials. If CONTRACTOR is found to have engaged in such unlawful discriminatory employment practices, CONTRACTOR shall pay all such costs, expenses and attorneys' fees.

Whether or not a contract or Contract is still in existence at the time of final determination of such unlawful discrimination, the CONTRACTOR shall forthwith reimburse county for all damages directly stemming from such discrimination; however, those damages shall not exceed and are not reimbursable in an amount which exceeds amounts paid CONTRACTOR under the terms of the contract or Contract.

Nothing in this section 2-95 shall directly or by interpretation give a private cause of action to any third party (not a signatory to the contract or Contract) including employees past or present, or applicants for employment to CONTRACTOR, it being the sole purpose of this clause to administratively assure compliance with the nondiscrimination clauses contained herein.

Employment practices shall include, but are not limited to employment, promotion, demotion, transfer, recruitment and advertising for recruitment, layoff or other termination, rate of pay, employee benefits and all other forms of compensation selection for training and apprenticeship and probationary periods.

CONTRACTOR shall permit access at all reasonable time and places to all of its records of employment, advertising, application forms, tests and all other pertinent employment data and records, to the County of Santa Barbara, its officers, employees and agents for the purpose of investigation to ascertain if any unlawful discrimination as described herein has occurred or is being practiced, provided that such records are relevant to a complaint of an unlawful discriminatory practice which has been forwarded to CONTRACTOR reasonably prior to the time CONTRACTOR is asked to make such records available. In addition, all such records shall be deemed "Confidential" by the officers, employees and agent of the county. No records or copies of such records may be removed from the premises of CONTRACTOR and no disclosure, oral or written of such record, may be made to third parties except as provided within the Contract.

Provided, however, that in the event of a hearing to determine whether or not CONTRACTOR is engaging in unlawful discrimination in employment practices as defined herein, the board of supervisors of Santa Barbara County may issue subpoenas to require that certified copies of such records be made available to the hearing.

Failure to fully comply with any of the foregoing provisions relating to unlawful discrimination in employment practices shall be deemed to be a material breach of any contract or Contract with the County of Santa Barbara. All persons contracting with or who have contracts for goods or services with the county shall be notified that this chapter applies to their contract or Contract with the County of Santa Barbara. (Ord. No. 2946, SS 1; Ord. No. 2993, SS 1; Ord. No. 3018, SS 1)

Sec. 2-95.5. Exceptions. Notwithstanding any other provisions in this article, any party contracting with the County of Santa Barbara having an affirmative action program which has been approved within thirty-six (36) months from the date of the contract by an agency of the federal government shall be deemed to be in compliance with the provisions of this article upon furnishing documentary evidence of such approval satisfactory to the county affirmative action officer. Loss of such approval shall be immediately reported by such party to the county affirmative action officer.

Sec. 2-96. Purchase orders. Purchase orders shall contain the following clause as grounds for termination of such purchase order.


"If complaint is made that seller is engaging in discriminatory employment practices made unlawful by applicable state and federal laws, rules or regulations, and the State Fair Employment Practice Commission or the Federal Equal Employment Opportunities Commission determines that such unlawful discrimination exists, then the County of Santa Barbara may forthwith terminate this order." (Ord. No. 2946, § 1)

Sec. 2-97. Affirmative action officer. At the discretion of the county affirmative action officer, he or she shall promptly and thoroughly investigate, or cause to be investigated reports and complaints from whatever source, that any party contracting with the County of Santa Barbara is engaging, or during the term of a contract or Contract with the County of Santa Barbara has engaged, in any unlawful discriminatory employment practices as described in Section 2-95 of this Code. If the investigation discloses reason to believe such unlawful discrimination does exist or has existed and the conditions giving rise thereto have not been changed so as to prevent further such unlawful discrimination, and the said party shall not forthwith terminate such unlawful discrimination, take all appropriate steps to prevent a recurrence of such or other unlawful practices, and compensate the person or persons unlawfully discriminated against for any and all loss incurred by reason of such unlawful discrimination, all to the satisfaction of the affirmative action officer, then the affirmative action officer shall cause the matter to be presented for action to the State Fair Employment Practices Commission or the Federal Equal Employment Opportunities Commission, or both, and to any other concerned state or federal agencies or officers.

If and when it has been finally determined by the affirmative action officer, county counsel, or state or federal regulatory agencies that such unlawful discriminatory employment practice has in fact so occurred or are being carried on, then the affirmative action officer shall forthwith present the entire matter to the board of supervisors of the county, together with all damages, costs and expense related thereto and incurred by county, for appropriate action by the board of supervisors in accord with the intent and purposes of this article and of the affirmative action program of the County of Santa Barbara (Ord. No. 2946, § 1)

ATTACHMENT G
EXAMPLE SPENDING AUTHORIZATION LETTER



Our Vision  Clean Air

DATE

Black Road Auto & Tow
Attn: Lorne Leeds
1500 Black Road
Santa Maria, CA 93458

**Subject: Old Car Buy Back Program Spending Authorization
 Date XX/XX/2011 to Date XX/XX/2012 (Contract AP111206)**

Dear Mr Leeds:

The purpose of this letter is to provide you with spending authorization to implement the Old Car Buy Back Program at your business in accordance with contract AP111206, dated October 20, 2011, between the Air Pollution Control District (District) and Black Road Auto & Tow.

In accordance with Paragraph 29 of the above noted contract, as Air Pollution Control Officer I authorize you to spend Old Car Buy Back funds as specified below:

SPENDING AUTHORIZATION	TIME PERIOD
\$XX,XXX	XX/XX/2011 to XX/XX/2012

An increase in the expenditure amount or extension of the time period is not allowed without a new authorization letter from the District.

Refer to Table 1 for a summary of the Old Car Buy Back Program contract actions to date.

Louis D. Van Mullem, Jr. Air Pollution Control Officer
260 North San Antonio Road, Suite A Santa Barbara, CA 93110 www.sbcapcd.org 805.961.8800 805.961.8801 (fax)

TABLE 1
OLD CAR BUY BACK PROGRAM CONTRACT AP111206 WITH BLACK ROAD AUTO & TOW

DATE	CONTRACT BALANCE	SPENDING AUTHORIZATION	ACTUAL EXPENDITURES	DESCRIPTION OF ACTION ITEMS
10/20/2011	\$750,000			Board approval of Contract AP111206 for \$750,000
XX/XX/2011		\$XX,XXX		Spending Authorization XX/XX/2011 to XX/XX/2012
XX/XX/2011	\$X,XXX,XXX		\$XX,XXX	Invoice: XX/XX/2011
XX/XX/2012	\$X,XXX,XXX		\$XX,XXX	Invoice: XX/XX/2012
XX/XX/2012	\$X,XXX,XXX		\$XX,XXX	Invoice: XX/XX/2012
XX/XX/2012	\$X,XXX,XXX		\$XX,XXX	Invoice: XX/XX/2012
XX/XX/2011		\$XX,XXX		Spending Authorization XX/XX/2012 to XX/XX/2012
Totals		\$X,XXX,XXX	\$X,XXX,XXX	

If you have any questions regarding this Spending Authorization, please contact Jim Fredrickson at (805) 961-8892.

Sincerely,

Louis D. Van Mullem, Jr.
 Air Pollution Control Officer

cc: Linda Alexander, SBCAPCD - Fiscal Group
 Jim Fredrickson, SBCAPCD – Innovative Technology Group