

**Board Members**

Joe Neves, District 1 - Chairman  
Richard Valle, District 2  
Doug Verboon, District 3  
Craig Pedersen, District 4  
Richard Fagundes, District 5 - Vice Chairman



**Staff**

Edward Hill, County Administrative Officer  
Diane Freeman, County Counsel  
Catherine Venturella, Clerk of the Board

## Board of Supervisors

### Regular Meeting Agenda Addendum

**Date:** Tuesday, October 11, 2022  
**Time:** 9:00 a.m.  
**Place:** Board of Supervisors Chambers, Kings County Government Center  
1400 W. Lacey Boulevard, Hanford, California 93230

☎ (559) 852-2362 ❖ [bosquestions@co.kings.ca.us](mailto:bosquestions@co.kings.ca.us) ❖ website: <https://www.countyofkings.com>

The meeting can be attended telephonically, on the Internet by clicking this link:

<https://countyofkings.webex.com/countyofkings/j.php?MTID=me8f7c088e887d2714166c526926db4a9>

or by sending an email to [bosquestions@co.kings.ca.us](mailto:bosquestions@co.kings.ca.us) on the morning of the meeting for an automated email response with the WebEx meeting link information. Members of the public attending via WebEx will have the opportunity to provide public comment during the meeting.

\*WebEx will be available for access at 8:50 a.m. \*

Members of the public who wish to view/observe the meeting virtually can do so via the worldwide web at:

[www.countyofkings.com](http://www.countyofkings.com) and click on the "Join Meeting" button or by clicking this link:

<https://youtu.be/qQ4nJEFLfmM>

Members of the public viewing the meeting through YouTube will not have the ability to provide public comment.

Members of the public who wish to comment may submit written comments on any matter within the Board's subject matter jurisdiction, regardless of whether it is on the agenda for the Board's consideration or action, and those comments will become part of the administrative record of the meeting. Comments will not be read into the record, only the names of who have submitted comments will be read into the record. Written comments received by the Clerk of the Board of Supervisors no later than 8:30 a.m. on the morning of the noticed meeting will be included in the record, those comments received after 8:30 a.m. will become part of the record of the next meeting. Email is not monitored during the meeting. To submit written comments by email, please forward them to [bosquestions@co.kings.ca.us](mailto:bosquestions@co.kings.ca.us) or by U.S. Mail, please forward them to: Clerk of the Board of Supervisors, County of Kings, 1400 W. Lacey Blvd., Hanford, CA 93230.

**VI. G. Human Services Agency – Wendy Osikafo/Esam Abed**

1. Consider approving the Agreement with Cornerstone Community Alcohol and Other Drug Recover Systems, Incorporated transferring financial and work completion responsibility for remaining work needed to obtain occupancy permits for the Triangle Courtyard Homekey Project.

*Posted: Friday, October 7, 2022 – 3:00 p.m.*

Distribution: Board members (5)  
Administration – Edward Hill, Kyria Martinez  
County Counsel – Diane Freeman





# COUNTY OF KINGS BOARD OF SUPERVISORS

GOVERNMENT CENTER HANFORD, CALIFORNIA 93230 (559) 852-2362  
Catherine Venturella, Clerk of the Board of Supervisors

## AGENDA ITEM October 11, 2022

**SUBMITTED BY:** Human Services Agency – Wendy Osikafo/ Esam Abed

**SUBJECT:** CORNERSTONE COMMUNITY ALCOHOL AND OTHER DRUG RECOVERY SYSTEMS, INCORPORATED TAKEOVER AGREEMENT FOR TRIANGLE COURTYARD HOMEKEY PROJECT

**SUMMARY:**

**Overview**

Human Services Agency (HSA), in partnership with Cornerstone Community Alcohol and Other Drug Recovery System Incorporated (Cornerstone), applied and received a grant award from the Department of Housing and Community Development (HCD) for Project Homekey (Homekey) to fund the development of affordable housing on land owned by Cornerstone (Triangle Courtyard). The County selected Green Galaxy Builders Incorporated (GGB) as the successful bidder and entered into an agreement for design-build services for a not-to-exceed price. The project has suffered numerous delays and GGB has indicated that it will not complete the contract work for the specified price. GGB has also refused a change order that would have increased the contract price. Cornerstone is willing to take over the remaining construction and expenses to complete the project as expeditiously as possible.

**Recommendation:**

**Approve the agreement with Cornerstone Community Alcohol and Other Drug Recover Systems, Incorporated transferring financial and work completion responsibility for remaining work needed to obtain occupancy permits for the Triangle Courtyard Homekey Project.**

**Fiscal Impact:**

There is no impact to the County General Fund. This action will relieve Kings County of fiscal responsibility for the completion of the project as Cornerstone will fund the remaining costs of the project.

(Cont'd)

BOARD ACTION :

APPROVED AS RECOMMENDED: \_\_\_\_\_ OTHER: \_\_\_\_\_

I hereby certify that the above order was passed and adopted  
on \_\_\_\_\_, 2022.

CATHERINE VENTURELLA, Clerk to the Board

By \_\_\_\_\_, Deputy.

## **Agenda Item**

### **CORNERSTONE COMMUNITY ALCOHOL AND OTHER DRUG RECOVERY SYSTEMS, INCORPORATED TAKEOVER AGREEMENT FOR TRIANGLE COURTYARD HOMEKEY PROJECT**

**October 11, 2022**

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#### **BACKGROUND:**

On November 13, 2020, HSA, in partnership with Cornerstone, received a grant award from HCD under the Project Homekey program to fund the development of affordable housing on land owned by Cornerstone for the Kings Triangle Courtyard Project. This project would increase the housing inventory for Kings County and provide 24 homes for eligible participants. Units were to consist of two bedrooms, one bathroom, and a kitchen with full installation of 12 units in move-in ready condition by March 30, 2021, and the balance of 12 units in move-in ready condition by June 30, 2021.

Kings County selected GGB as the successful bidder and entered into an agreement for complete design-build services on December 15, 2020, for a not-to-exceed price of \$4,838,251. GGB significantly delayed completion of the project, GGB refused to submit a performance bond, and GGB now indicates that it will not complete the work due to cost increases. Despite several concessions that HSA was willing to make (which included, but were not limited to, time extensions, reduction of units from 24 to 20, and increasing the contract amount), ultimately GGB refused to sign a change order or complete its contractual obligations.

Initially, Cornerstone was willing to fund an increase to the price of the contract with GGB. However, given GGB's significant delays and refusal to agree to a change order, Cornerstone is no longer willing to contribute funding. Cornerstone is, however, willing to fund and complete the remainder of the project if the current agreement with GGB is terminated.

From project inception, it was intended that Cornerstone would be the owner of the units developed through the Homekey project and would provide site management and landlord services, including managing rent collection, site maintenance, etc. HSA will remain involved to ensure project completion and provide project updates and completion reports to HCD. Once the project is complete, HSA will continue to partner with Cornerstone to provide referrals and coordinate supportive services for residents in need of services.

HSA is seeking Board approval of the Takeover Agreement with Cornerstone, which will shift the construction and financial responsibility to Cornerstone to complete the remaining work needed to obtain occupancy permits for the Triangle Courtyard Homekey Project by March 31, 2023.

This agreement has been reviewed and approved by County Counsel as to form.

## TAKEOVER AGREEMENT

### Parties

1. This Agreement (“Takeover Agreement”) is made and entered into \_\_\_\_\_, 2022, by and between County of Kings (“County”) and Cornerstone Community Alcohol and Other Drug Recovery Systems, Inc. (“Cornerstone”). County and Cornerstone will be sometimes individually referred to herein as “Party” and sometimes collectively referred to herein as “Parties.”

### Recitals

2. WHEREAS, the County and Cornerstone applied jointly for funding from the State of California’s Homekey Program for construction of affordable housing on Cornerstone’s property (“Site”);

3. WHEREAS, the State notified the County on November 13, 2020, that the joint application had been selected for a reservation of funds;

4. WHEREAS, on December 15, 2020, the County and Cornerstone entered a site control agreement (“Site Control Contract”) to demonstrate the County’s control over the Site, as required by the State;

5. WHEREAS, on December 17, 2020, the County, Cornerstone, and the State entered an agreement (“Homekey Contract”) for funding of construction of twenty-four (24) Homekey Program housing units on the Site which would be known as Triangle Courtyard (“Project”);

6. WHEREAS, Green Galaxy Builders (“Contractor”) and County entered into an agreement effective on December 15, 2020, for the Contractor to furnish all labor, services, equipment and materials necessary to complete design and construction of the Project (the “Construction Contract”). The first twelve of the units to be installed by March 30, 2021, would be “New SIP’s Vertical” type; and the other twelve units would be “New HUD Factory Built” type to be installed by June 30, 2021. The terms and provisions of the Construction Contract included payment by County of no more than \$4,838,251 to Contractor for full performance of the Construction Contract’s scope of work;

7. WHEREAS, the County and Contractor amended the Construction Contract on March 16, 2021, so that only four “New SIP’s Vertical” units would be installed by March 30, 2021, and the remaining twenty units would be “New HUD Factory Built” to be installed by June 30, 2021;

8. WHEREAS, by letter dated September 22, 2021, County issued a notice of intent to terminate the Construction Contract to Contractor based on many breaches of the Construction Contract by Contractor, including but not limited to failure to provide a payment/performance bond and substantial delays in performance;

9. WHEREAS, on December 10, 2021, County and Contractor reached tentative agreement on a change order for a \$561,749 increase in the Construction Contract price to a total Construction Contract price of \$5,400,000, in exchange for Contractor's agreement to additional contract terms, including but not limited to immediate submittal of a payment/performance bond and payment of liquidated damages if the Construction Contract is not completed by a new completion deadline;

10. WHEREAS, County agreed in the tentative change order to the Construction Contract to pay an additional \$561,749 to Contractor in reliance on a promise by Cornerstone to provide those additional funds to County;

11. WHEREAS, Contractor ultimately failed and refused to sign the change order, and Contractor informed County that Contractor could not purchase a payment/performance bond for the Construction Contract and could no longer perform the Construction Contract for the adjusted price of \$5,400,000;

12. WHEREAS, due to Contractor's failure and refusal to sign the change order and delay in Contractor's performance, Cornerstone withdrew its offer to pay for the change order, and instead Cornerstone indicated to County that it would be willing to assume responsibility to complete the work remaining under the Construction Contract ("Work") at its own expense in the event that the Construction Contract, or performance under the Construction Contract, is terminated by County or Contractor;

13. WHEREAS, County desires to accomplish the completion of the Work, which includes but is not limited to all changes to date (whether or not the changes to date have been memorialized in a change order to the Construction Contract) and all work required by this Takeover Agreement, in order to expedite completion and to avoid expense, delay, and inconvenience;

14. WHEREAS, as of the date of this Takeover Agreement, County represents to Cornerstone that the current Construction Contract price is \$4,838,251. County further represents to Cornerstone that County has made payments under the Construction Contract in the amount of \$4,630,133, and there is a remaining unpaid balance (including retention) under the Construction Contract in the amount of \$208,118 (the "Construction Contract Balance");

15. WHEREAS, County and Cornerstone agree that the Construction Contract Balance will be used for the completion of the Work, subject to County's withholdings from the Construction Contract Balance that are allowed or required by the Construction Contract or law, including but not limited to stop payment notices, notices to withhold, and/or labor compliance withholds; and

16. WHEREAS, Cornerstone agrees to undertake the completion of the Work in accordance with the terms of the Construction Contract and this Takeover Agreement, provided that in doing so Cornerstone will receive upon completion of the Work all payments due, or to become due, from County to Contractor under the Construction Contract, subject to the potential withholdings mentioned in the previous paragraph.

17. NOW, THEREFORE, in consideration of the agreements and undertakings hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy therefore being hereby acknowledged, County and Cornerstone agree as follows.

### Agreement

18. The above Recitals are true and correct, and are incorporated and hereby made part of this Takeover Agreement as though fully set forth herein.

19. In the event that the Construction Contract, or performance under the Construction Contract, is terminated by the County or Contractor, whether before or after the effective date of this Takeover Agreement, Cornerstone agrees to complete the Work, subject to the full and continuing reservation of all rights and defenses available to Contractor, Cornerstone and County under the Construction Contract, the Takeover Agreement, and applicable law. County acknowledges and agrees that Cornerstone, by its execution of this Takeover Agreement, is acting in its capacity as the owner of the Project in making arrangements for, and managing, the performance and completion of the Work, and not as a completing contractor; and Cornerstone acknowledges and agrees that it is assuming, and will perform and comply with, all obligations, duties, responsibilities, and liabilities of Contractor under the Construction Contract, including the hiring of licensed contractors, when completing the Work. Since Cornerstone is the owner of the Project and is not a public agency, the Work is not a public project or public works project; however, Cornerstone shall comply with all requirements under law that apply to the Work (including Project Homekey law, rules, and regulations, or other State law, rules, and regulations, that applied to the Construction Contract, such as payment of prevailing wages). County further acknowledges and agrees that Cornerstone is not assuming any obligations or liabilities beyond those set forth in the Construction Contract, the Homekey Agreement, the Site Control Contract, and this Takeover Agreement. The County shall maintain control of the Site pursuant to the Site Control Contract until Cornerstone completes the Work, including obtaining occupancy permits for all housing units. Except as otherwise provided in this Takeover Agreement, Cornerstone is entitled to, and assumes, all rights, title, interest, obligations, and liabilities of Contractor in and to the Construction Contract in all respects; and County retains all rights, title, interest, obligations, and liabilities of County in and to the Construction Contract. For purposes of this Takeover Agreement, the term "Contractor" as used in the Construction Contract (as opposed to how that term is used in this Takeover Agreement) shall be deemed, after the effective date of this Takeover Agreement, to refer to Cornerstone rather than to Green Galaxy Builders.

20. The Work includes but is not limited to all tasks individually listed in **Exhibit A** as required by the Construction Contract that are in various levels of completion, including previous unfinished work, all tasks required by this Takeover Agreement, and the obtaining of occupancy permits for all housing units of the Project from the County's building department. Notwithstanding the terms of this Takeover Agreement, the Work does not include the construction of the four (4) "New SIP's Vertical" housing units required by the amendment to the Construction Contract to be finished by March 30, 2021.

21. Cornerstone will enter a contract with a completion contractor (hereinafter called the "Completion Contractor") for the Work. The Completion Contractor shall be licensed to perform the Work as required by law. Cornerstone, at its option, may solicit bids from and engage multiple Completion Contractors. Cornerstone may not hire Contractor to be the Completion Contractor. The Completion Contractor may retain or rehire subcontractors, employees or former employees of Contractor to work for and assist Completion Contractor with the completion of the Work, subject to County's written approval.

22. The following terms apply to Cornerstone's performance of the Work and its other obligations:

- A. Cornerstone shall fully and finally complete or cause to be completed the installation, construction or subcontracting of the Work by March 31, 2023. Cornerstone's schedule for performance of the Work is attached as **Exhibit C**. Cornerstone shall be entitled to a time extension if the critical path of the Work is delayed by anything outside Cornerstone's control, such as trade tariffs, acts of God, riots, natural disasters, military actions, or political unrest. Cornerstone shall give written notice to County of any delay, or potential delay, to the critical path of the Work within two (2) business days of learning of the delay or potential delay. If full and final completion of the work is delayed beyond this date, then Cornerstone shall pay all damages incurred by County as a result of such delay, including but not limited to the County's expense in providing temporary housing for Project Homekey residents (which is currently averaging about \$3412 per day). County may invoice Cornerstone as frequently as monthly for such delay damages, and Cornerstone shall pay the invoiced amount within twenty (20) days.
- B. During the period between this agreement's ratification and the Certificate of Occupancy for 20 units, if Cornerstone's performance, or lack of performance, of the Work cause damages to the County other than delay damages, Cornerstone shall be liable to County for such damages.
- C. The County shall retain control of the site of the Project pursuant to the Site Control Contract, and the County shall not grant occupancy permits until Cornerstone completes all of the Work. However,



Cornerstone shall have unfettered access for the purpose of performance of the Work.

- D. Cornerstone shall defend and indemnify the County, and hold it harmless, against any change order requests, claims, complaints, or other legal action by Contractor, the State, the Completion Contractor, or third parties related to the Construction Contract, this Takeover Agreement, or the Work, including but not limited to (i) claims by the State related to the State's funding of the Triangle Courtyard project; (ii) claims by Contractor or Completion Contractor of breach of the Construction Contract or Takeover Agreement, including but not limited to wrongful termination; and (iii) claims by subcontractors or suppliers of the Contractor or Completion Contractor.
- E. The County shall assign to Cornerstone all of its rights and remedies against the Contractor, including but not limited to (a) the right to use Contractor's, and its subcontractors' and suppliers', materials and equipment; and (ii) causes of action for breach of contract, breach of warranty, and latent deficiencies.
- F. The Parties agree that the County is not required to competitively bid this Takeover Agreement since Cornerstone is the owner of the Project, and since the County is not liable for any costs in excess of the original contract amount. When Cornerstone hires the Completion Contractor to perform the Work, Cornerstone is solely responsible for selecting the Completion Contractor and entering a contract with it in a lawful manner.
- G. Cornerstone will secure insurance for itself related to the Work, and the County shall be named as additional insured. In addition, Cornerstone shall require its Completion Contractor to secure insurance for itself in the same amount as required by the Construction Contract, and to have Cornerstone and the County named as additional insureds on those policies.

23. Completion Contractor shall enter into a Completion Agreement with Cornerstone to complete the Construction Contract, and no contractual relationship, pursuant to this Takeover Agreement, shall exist between County and Completion Contractor. Cornerstone will ensure that Completion Contractor shall provide County with written evidence of all insurances required under the Construction Contract and this Takeover Agreement. Routine day-to-day operations and decisions as to the manner of performance of the remaining work shall be made by Completion Contractor subject to the provisions of the Construction Contract, but Cornerstone shall remain responsible to County for such operations and decisions. Without Cornerstone's express written consent delivered to County, Completion Contractor will have no authority to do any of the following: (i) Agree to any changes in the Work; (ii) agree to any change orders; (iii) agree to any back-charges or deductions of any nature; (iv) agree to any schedule changes; (v) agree to any adjustments in the Contract amount; or (vi) agree to perform warranty work of Contractor or corrective work as a result of latent defect(s) in the work performed by Contractor. The remaining work shall be subject to inspection and

acceptance by County, as provided in the Construction Contract and applicable law. Cornerstone shall obtain all permits for the Work that are required by law, including building permits and occupancy permits. All communications concerning matters of contract administration (i.e., contractual or other notices required by law, payments, change orders, extensions of time, delays, claims, among other matters) shall be communicated by County to Completion Contractor only in writing, with a copy simultaneously forwarded to Cornerstone by e-mail.

24. Notwithstanding the other provisions of this Takeover Agreement, Completion Contractor, as Cornerstone's representative, is authorized to make all routine day-to-day decisions as to the manner of performance of the Work, and Cornerstone shall be responsible to all parties, including the County, for such decisions. Cornerstone reserves the right to terminate the Completion Contractor at any time; however, Cornerstone must provide County advance written notice of at least three (3) calendar days before such termination, and promptly employ and mobilize another completion contractor to complete the Work.

25. The requirements for the preparation and submission of the schedules for the completion of the Work are subject to the terms and conditions of the Construction Contract, except that within fifteen (15) calendar days of the effective date of this Takeover Agreement, Completion Contractor shall prepare and submit to County an initial schedule for the completion of the Construction Contract. Any schedules provided by County to Cornerstone or Completion Contractor are solely for information purposes only, and the Completion Contractor must independently prepare its own schedule and updates pursuant to the Construction Contract.

26. County and Cornerstone agree that there are delays and other disputes between County and Contractor concerning the performance of the Construction Contract. County and Cornerstone acknowledge these disputes, and agree that County's and Cornerstone's respective rights, claims, demands, and damages are reserved and preserved for resolution pursuant to the terms of the Contract and applicable law. To the extent that the County, Contractor, and/or Cornerstone reach agreement on any of these issues at a later time, they may execute an amendment to this Takeover Agreement.

27. Cornerstone and Completion Contractor agree to preserve and maintain all paper and electronic documents on the Project site after the effective date of this Takeover Agreement, including all such documents that were or are the property of the Contractor. Upon written request by County, the County may have access to the plans and other project documents contained in the trailer for review or copying, which access shall not be unreasonably denied by Cornerstone or Completion Contractor.

28. County acknowledges that Cornerstone has a right to receive all Contract proceeds upon completion of the Work, subject to County's rights under the Construction Contract or its obligations under law. County shall pay directly to Cornerstone the Contract Balance, plus or minus any additional amounts of money on account of any modifications approved in writing by County and Cornerstone, per the terms of the

Construction Contract, but subject to the County's rights and obligations under the Construction Contract and law to withhold from such payment. A copy of what County believes is the current list of stop payment notices and other estimated withholds is attached hereto as **Exhibit B**. **Exhibit B** is for informational purposes only, and there is no agreement between County and Cornerstone as to the validity of any of the stop payment notices and other estimated withholds. To the extent that County suffers any damages under the Construction Contract or law that are not withheld from payments to Cornerstone, County retains all rights under the Construction Contract and law to seek such amounts from Contractor, subject to any defenses to such damages or claims. Cornerstone agrees to spend its own funds as may be necessary to pay for the performance of the Work by Completion Contractor in the likely event that County's payment to Cornerstone are insufficient to cover the Cornerstone's costs of performance of the Work by Completion Contractor.

29. Upon (i) Cornerstone's execution of this Takeover Agreement, (ii) approval of this Takeover Agreement by County's governing body, and (iii) termination of Contractor's work under the Construction Contract, Cornerstone shall, through its Completion Contractor, commence work within seven (7) calendar days of such termination.

30. Insofar as County has any right, title or interest therein, County agrees that Cornerstone and Completion Contractor shall have the right to use, without charge, any of the equipment, materials and appurtenances furnished or supplied by or on behalf of Contractor which may be stored on or about the Site or materials which may have been fabricated for use in connection with the Construction Contract, whether or not presently upon the Site.

31. Cornerstone shall be represented at the Project by Completion Contractor. Prior to Cornerstone's issuance of its Notice to Proceed to Completion Contractor, Cornerstone shall specifically authorize in writing an individual employed by Completion Contractor to be the Cornerstone's representative (the "Authorized Individual") solely for the purposes set forth in this paragraph. The Authorized Individual will represent Cornerstone in dealing with County on day-to-day construction issues with respect to the Project. All documents pertaining to pay estimates, progress payments, and final payment shall be transmitted to Cornerstone at the following address, unless and until County is notified in writing by Cornerstone of any different address:

Cornerstone Community Alcohol and Other Drug Recovery  
Systems, Inc.  
P O Box 1124  
Hanford, CA 93230  
Telephone: 559-582-3871  
Email: [info@kingsgospelmission.org](mailto:info@kingsgospelmission.org)

32. By Cornerstone's election to enter this Takeover Agreement and to perform the Work, Cornerstone hereby waives any limitation to its liability for

completion of the Work. Cornerstone shall be responsible for all expenses, costs, and payments necessary for its performance of the Work to the extent that they exceed the payments from County to Cornerstone under this Takeover Agreement. Cornerstone shall be solely responsible for any expenses Cornerstone incurred and/or will incur in investigating, estimating, and/or administering the Project, the Construction Contract, the Completion Agreement with Completion Contractor, and/or this Takeover Agreement, such as, but without limitation, any internal and/or external investigation, estimating, administration, monitoring, consultant, and/or legal fees or expenses. Commencing at ratification of this agreement, Cornerstone shall pay for the Work performed, services rendered, and materials and/or equipment supplied by any and all subcontractors, suppliers and other claimants who performed under the Construction Contract and who have not been paid; County shall not have any responsibility to them for such payments.

33. Except for stop payment notices and labor compliance withholds, operation of law, or order of a court of competent jurisdiction after due notice to Cornerstone, County agrees that it will not acknowledge or honor any claim or charges against the Construction Contract Balance by any alleged assignees, successors, creditors, or transferees of Contractor, or any other party or entity making claim to any of such proceeds or the Construction Contract Balance, without the written consent of Cornerstone. Cornerstone agrees to defend, indemnify, and hold harmless County against such claims if Cornerstone requests County to dishonor such claims.

34. County and Cornerstone agree to cooperate fully with each other to the end that the Work may be completed as efficiently and quickly as reasonably possible under the circumstances. This Takeover Agreement is entered into pursuant to a complete and full reservation of all rights, claims and defenses of County, Cornerstone and Contractor to all issues not addressed by the Takeover Agreement.

35. County, Cornerstone and their respective signatories hereto warrant that each has the power and authority to execute this Takeover Agreement. The Parties acknowledge that County's governing board must approve this Takeover Agreement, and that the signature on behalf of County is not effective until this Takeover Agreement is approved by County's governing board.

36. The Parties agree that if Cornerstone certifies any claim arising out of or relating to the Project, such certification will be deemed properly certified by an authorized employee of Cornerstone.

37. County and Cornerstone each represents and warrants that it has voluntarily executed this Takeover Agreement upon the basis of its own independent investigation.

38. This Takeover Agreement is solely for the benefit of County and Cornerstone. County and Cornerstone do not intend any provision of this Takeover Agreement to create any rights in or increase the rights of any third-party beneficiaries,

nor to confer any benefit upon or enforceable rights under this Takeover Agreement or otherwise upon anyone other than County and Cornerstone.

39. This Takeover Agreement and the Contract constitute the whole of the understanding, discussions, and agreements by and between County and Cornerstone. The terms and provisions of this Takeover Agreement are contractual and not mere recitals. County and Cornerstone acknowledge and agree that there have been no oral, written, or other agreements of any kind as a condition precedent to or to induce the execution and delivery of this Takeover Agreement. Any written or oral discussions conducted prior to the effective date of this Takeover Agreement shall not in any way vary or alter the terms of this Takeover Agreement.

40. This Takeover Agreement shall not be changed, amended, or altered in any way except in writing, executed by both County and Cornerstone, and approved by County's governing body.

41. This Takeover Agreement may be executed in two or more counterparts, each of which together shall be deemed an original, and all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a "pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or "pdf" signature page were an original thereof.

42. This Takeover Agreement is entered into and shall be performed in, and shall be governed and controlled by, the laws of the State of California. Any action or proceeding seeking any relief under or with respect to this Takeover Agreement shall be brought solely in the Superior Court of the State of California for the County of Kings, subject to transfer of venue under applicable State law, provided that nothing in this Takeover Agreement shall constitute a waiver of immunity to suit by County.

43. Any notices which are required to be given by the terms of this Takeover Agreement shall be made as follows:

As to County: Via email and certified mail, return receipt requested, postage prepaid to:

Wendy Osikafo  
Director of Human Services Agency  
1400 W. Lacey Blvd., Bldg. 12,  
Hanford, CA 93230  
Email: Wendy.Osikafo@co.kings.ca.us

With a copy via e-mail and regular U.S. mail to:

Diane Freeman

County Counsel  
1400 W. Lacey Blvd.  
Hanford, CA 93230  
Telephone: (559) 852-2445  
E-mail: [diane.freeman@co.kings.ca.us](mailto:diane.freeman@co.kings.ca.us)

As to Cornerstone: Via email and certified mail, return receipt requested,  
postage prepaid to:

Cornerstone Community Alcohol and Other Drug Recovery  
Systems, Inc.  
P O Box 1124  
Hanford, CA 93230  
Telephone: 559-582-3871  
Email: [info@kingsgospelmission.org](mailto:info@kingsgospelmission.org)

44. This Takeover Agreement shall be binding upon the parties and their respective successors and assigns.

45. In the event that one or more provisions of this Takeover Agreement shall be declared to be invalid, illegal or unenforceable in any respect, unless such invalidity, illegality or unenforceability shall be tantamount to a failure of consideration, the validity, legality and enforceability of the remaining provisions contained in this Takeover Agreement shall not in any way be affected or impaired thereby.

46. This Takeover Agreement has been fully negotiated by the parties to it and their counsel, and shall not be construed in favor of or against either party, regardless of who may have drafted it or any of its terms.

IN WITNESS WHEREOF, the parties have executed this Takeover Agreement on the date indicated above, and each of the undersigned personally represent and warrant that they have the full right, power and authority to execute this Takeover Agreement on behalf of the respective parties.

COUNTY OF KINGS

CORNERSTONE


By: \_\_\_\_\_  
Joe Neves, Chair  
Kings County Board of Supervisors

By:   
Charles Feaver  
President of the Board


ATTEST

By: \_\_\_\_\_  
Catherine Venturella, Clerk of the Board

RISK MANAGEMENT Approved as to  
INSURANCE

By:   
Sarah Poots  
Risk Management

APPROVED AS TO FORM

By:   
Diane Freeman, County Counsel

**EXHIBIT A**

	Completed (Y/N)	If no - Estimate % remaining
<b>Temp Equip &amp; Security</b>		
<b>Grading</b>		
Final Grading / Subgrade	N	2.50%
<b>Underground</b>		
<b>Wet Utilities (Grizzly)</b>		
Gate Valve @ each unit	N	5.00%
Sewer	N	5.00%
<b>Dry Utilites</b>		
Electrical Underground	N	40.00%
Set Panel, Pull Wire, Etc. (CVE)	N	90.00%
Electric Meters	N	100.00%
Light poles	N	100.00%
Electric Site Work (CVE)	N	90.00%
<b>Parking / Drive Approach / TrueGrid</b>		
Subgrade, Baserock	N	35.00%
TrueGrid Materials	N	100.00%
TrueGrid Gravel & Installation	N	100.00%
Concrete A-Curb (1,000LF @ Parking)	N	100.00%
Concrete Flatwork	N	100.00%
Driveway Redwood Header	N	100.00%
<b>Homes</b>		
Handicap Ramp Access	N	95.00%
<b>Instalation / Set up</b>		
Wet / Dry Utility Hookup	N	100.00%
Permanent Installation Anchors	N	60.00%
Roof Caps	N	100.00%
Front / Back Trim	N	100.00%
HVAC	N	100.00%
Fire Sprinkler Hookup	N	100.00%
Interior Fans (4/unit)	N	100.00%
Washer / Dryer	N	100.00%
Furnishings & Accessories	N	100.00%
Casings, Milwork & Finishes	N	100.00%
Final Cleaning	N	100.00%
<b>Site Final</b>		
Final Grade - 2% @ Units	N	100.00%
Landscaping	N	100.00%
Final Site Cleanup	N	100.00%



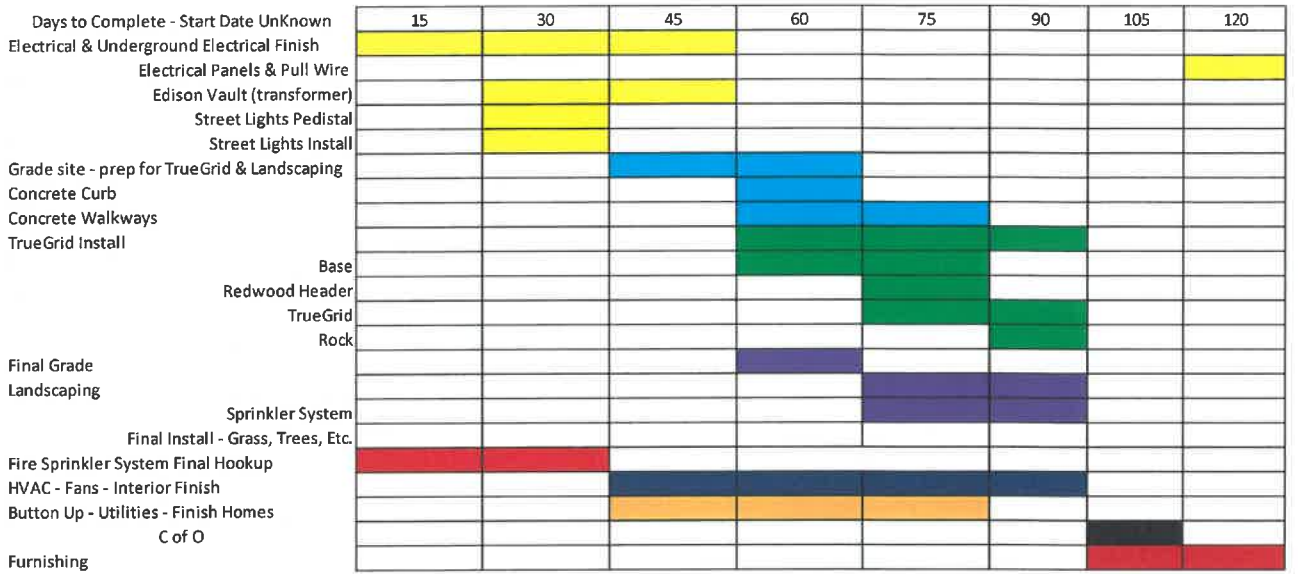
**EXHIBIT B**

**Estimated Current Withholdings by County**

The estimated current withholdings by the County are as follows:

- Stop payment notice from \_\_\_\_\_: \$ \_\_\_\_\_. (includes extra 25%).
- \_\_\_\_\_ *[list all withhold items, such as DIR penalties, other contractual penalties, and County damages caused by contractor's breaches of contract]*

## EXHIBIT C – TIMELINE





## Kings Gospel Mission

Overnight Shelter ~ Recovery Academy ~ Room & Board Facilities ~ Recuperative Care

Transforming  
Lives  
Together!

## Cornerstone Industries

Thrift Store ~ CRV Recycling Center ~ Rescue Ragzz ~ KGM Crew Contracts

### Board Of Director's Resolution

Whereas, cornerstone Community Alcohol & Drug Recovery Systems, Inc., DBA Kings Gospel Mission, a private non-profit agency is incorporated to do business in California under the Corporate Number of 1665018; and

Whereas, the following individuals as indicated below are current Officers of the Board of Directors of the above named agency:

Charles Feaver, President  
David Stanfield, Secretary  
Chad Fagundes, Treasurer

BE IT RESOLVED, that the signatories for all accounts held at this organization's banks are changed to the following:

Charles Feaver, President  
David Stanfield, Secretary  
Chad Fagundes, Treasurer  
Alfred Trujillo, Executive Director  
David Clevenger, Contracted CEO

I certify that the foregoing is true and correct copy of the resolution of the Board of Directors of Cornerstone Community Alcohol & Other Drug Recovery Systems, Inc. duly adopted on June 28, 2022.

Name and Title: David Stanfield, Secretary

Signature: 

Date: 8-18-2022